

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LEXINGTON SPECIAL PROVISIONS

The following provisions supercede any contrary provisions of the State Specific Special Provisions and the Homeowners 3 – Special Form where permitted by law:

DEDUCTIBLE CLAUSE – is deleted and replaced with the following:

DEDUCTIBLE

Unless otherwise noted in this policy, the following deductible provision applies:

Subject to the policy limits that apply, we will pay only that part of the total of all loss payable under Section I – Property Coverages that exceed the applicable deductible amount or percentage shown in the Declarations. Under no circumstance shall the applicable deductible be less than the All Other Peril (AOP) deductible shown in the Declarations.

SECTION I – PROPERTY COVERAGES

B. COVERAGE B – Other Structures. Subparagraph 3. of Paragraph B. is deleted and replaced by the following:

3. The limit of liability for this coverage shall not exceed the amount shown in the Declarations.

E. Additional Coverages. Subparagraph 11. **Ordinance Or Law** of Paragraph E. is deleted.

SECTION I – PERILS INSURED AGAINST

A. Coverage A – Dwelling And Coverage B – Other Structures Subparagraph 2.c.(1) of Paragraph A. is deleted and replaced by the following:

(1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:

(a) Maintain heat in the building; or

(b) Shut off the water supply and drain all systems and appliances of water;

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

SECTION I – EXCLUSIONS

Subparagraph 1. , **Ordinance Or Law** of Paragraph A. is deleted and replaced with the following:

1. Ordinance Or Law

Ordinance Or Law means enforcement of any ordinance or law regulating the construction, repair, or demolition of a building or other structure, unless specifically provided under this policy.

Subparagraph 10. , **Act of Terrorism** is added to Paragraph A. as follows:

10. Act of Terrorism

Act of Terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or

similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

It is hereby understood and agreed, that notwithstanding any provision to the contrary, it is agreed that this policy excludes, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with biological, chemical, or nuclear pollution or contamination arising out of any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

The policy also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any biological, chemical, or nuclear pollution or contamination arising out of an act of terrorism.

Nothing in this exclusion shall be construed to exclude loss, damage or cost or expense of whatsoever nature arising out of fire following any nuclear incident.

SECTION I - CONDITIONS

Subparagraph 2.f. is added to Paragraph C., **Loss Settlement** as follows:

- f. If, at the time of loss, the building(s) under Coverage A or B are being repaired, renovated, rebuilt or under construction, the maximum amount of insurance on the damaged building will be the proportion of the value of the building that the actual cash value of the building, on that date, bears to the value when completed. You and we agree that, for insurance purposes only, the value of the building is the amount shown on the Declarations.

Paragraph Q., **Concealment Or Fraud** is deleted and replaced with the following:

Q. Concealment Or Fraud

We provide coverage to no "insureds" under this policy if, whether before or after a loss, an "insured" has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made false statements;

relating to this insurance. In addition to not providing coverage, we at our option may choose to void the entire policy.

SECTION II - EXCLUSIONS

- E. **Coverage E – Personal Liability and Coverage F – Medical Payments To Others** Subparagraph 1. of Paragraph E. is deleted and replaced with following:

Coverages E and F do not apply to the following:

1. Expected or Intended Injury

"Bodily injury" or "property damage" which is reasonably expected or intended from the standpoint of the "insured" even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity, real or personal property, than initially expected or intended.

The reasonable person standard applies even if the "insured" lacked the mental capacity to formulate an intent or expectation.

- E. **Coverage E – Personal Liability and Coverage F – Medical Payments To Others** Subparagraph 9. is added to Paragraph E. as follows:

Coverages E and F do not apply to the following:

9. Punitive or Exemplary Damages

Punitive or exemplary damages alleged in any claim or suit nor do we have any obligation to pay any costs, interests, or damages attributable to such punitive or exemplary damages.

SECTION II – CONDITIONS

Paragraph J., **Concealment Or Fraud** is deleted and replaced with the following:

J. Concealment Or Fraud

We provide coverage to no "insureds" under this policy if, whether before or after a loss, an "insured" has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made false statements;

relating to this insurance. In addition to not providing coverage, we at our option may choose to void the entire policy.

SECTION I AND II – CONDITIONS

Paragraph C., **Cancellation** and Paragraph D., **Nonrenewal** are deleted and replaced with the following new paragraphs:

C. Cancellation

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. 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 may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
 - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
 - b. When this policy has been in effect for less than 60 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.
 - c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
 - (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
 - (2) If the risk has changed substantially since the policy was issued.This can be done by letting you know at least 30 days before the date cancellation takes effect.
 - d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.
3. If this policy is canceled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the earned premium will be calculated on a pro rata basis subject to the Minimum Earned Premium shown in the Declarations.

Your failure to make timely payment of premium shall be considered a request by you for us to cancel this policy on your behalf. In the event of such cancellation for non-payment of premium, the Minimum Earned Premium shall be due and payable, provided, however, such cancellation shall be rescinded if you remit and we receive the full policy premium within 10 days after the date of issuance of the cancellation notice.

4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.
5. The cancellation will be effective even if we have not made or offered a refund.

D. 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 at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

Paragraph **H. Renewal** is added as follows:

H. Renewal

Any provision pertaining to **Renewal** in any State Specific Special Provisions endorsed onto this policy is hereby deleted.