

# N.C. AS-1/Rental Program Policy Forms

The following pages are RPM’s adaptation of the AS-1 policy form and the endorsements available for the N. C. AS-1 Rental Program. These are replicas of the actual policy forms and endorsements your customer will receive with his/her new Aegis Security policy. \*Some are standard with this program, others are optional. Please refer to these forms as you discuss standard coverage, optional coverage, definitions, exclusions, etc. with your customer.

<b>Page #</b>	<b>Form #</b>	<b>Listing of Policy Forms</b>
PF - 2-18	AS - 1	*Aegis Manufactured Home Policy AS-1
PF - 19	AS - 7	Additional Insured Endorsement
PF - 20	AS - 19	Outside Radio or Television Antennas Endorsement
PF - 21	AS - 21	\$1,000 Windstorm Deductible Endorsement
PF - 22-25	AS - 22	**Premises Liability - Rented to Others Endorsement
PF - 26	AS - 55	\$500 Windstorm Deductible Endorsement
PF - 27	AS - 132	*North Carolina - Amendment of Policy Provisions Endorsement
<p><i>*These forms are mandatory on any policy written in the N.C. AS-1/Rental Program.</i></p> <p><i>** This form applies only when Premises Liability coverage is selected (added) and extra premium is charged for this coverage</i></p>		





**Note: This is the basic policy form used by Aegis in the  
North Carolina Rental Program.**



# **Manufactured Home Policy**



**Aegis Group**  
**P.O. Box 3153**  
**Harrisburg, PA 17105**  
**717.657.9671**



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## **\* MANUFACTURED HOME POLICY \***

**AEGIS GROUP**  
*A Stock Insurance Company*

### **INTRODUCTION**

This policy has been written in readable language to help **you** understand its terms.

As **you** read through the policy, remember the words “**we**”, “**us**” and “**our**” refer to Aegis Group. “**You**”, “**your**”, and “**yours**” mean the Named Insured shown on the Schedule Page and , if an individual, that person’s spouse and relatives if living in the same Manufactured Home.

This policy and the Schedule Page contain the full terms of the agreements between **you** and **us**.

### **IMPORTANT NOTICE**

**At the time we issue your policy, or when your policy is renewed, it may be necessary for us to investigate your background. This includes, if appropriate, your character, general reputation, personal characteristics and life style. Public Law 91-508 provides that you are entitled to be advised, in writing, of the complete nature and results of this investigation. To get this information you must request it in writing within a reasonable time after your policy becomes effective.**

## DEFINITIONS

<b>Actual Cash Value</b>	is defined and calculated by determining the replacement cost of <b>your</b> property and then subtracting depreciation for wear and tear.
<b>Animal</b>	means a living organism capable of motion and sensation but excluding a human being.
<b>Bodily Injury</b>	means injury, sickness, physical harm, disease, including care, <b>loss</b> of services and death.
<b>Business</b>	means any trade, profession, occupation or service, including farming, of an <b>Insured Person</b> . For this definition, <b>business</b> includes any temporary, part-time, or permanent activity engaged in for compensation.
<b>Earth Movement</b>	means any <b>loss</b> caused by, resulting from, contributed to or aggravated by earthquake; avalanche; landslide; mine subsidence; mud flow; earth sinking, rising or shifting; volcanic eruption, explosion or effusion of a volcano.
<b>Environment</b>	means any air, land, property or structure or the air therein, water or waterway including underground water.
<b>Insured Person</b>	<p>means the person named on the Schedule Page and that person's husband or wife or other relatives of <b>your</b> family who live in the same manufactured home and <b>you, yours,</b> and <b>your</b> can mean each or all of <b>you</b>.</p> <p>In addition, IN SECTION II, LIABILITY COVERAGES, <b>Insured Person</b> means:</p> <p>(1) Any person or entity legally responsible for <b>animals</b> or watercraft to which this policy applies. <b>We</b> will cover that person or entity only with respect to those <b>animals</b> or watercraft. <b>We</b> will not cover any person or entity using or having custody of <b>animals</b> or watercraft in the course of a <b>business</b> or without consent of the owner who is not an <b>Insured Person</b>.</p> <p>(2) With respect to any vehicle covered by this policy, any of <b>your</b> resident employees.</p>
<b>Insured Premises</b>	<p>means, in SECTION I, the Manufactured Home shown on the Schedule Page, its unattached appurtenant structures on the individual lot, park space, a parcel of land upon which <b>your</b> Manufactured Home is located. This includes <b>your</b> driveway, but not adjoining streets, alleys, public access or any public areas.</p> <p>In SECTION II LIABILITY COVERAGES, <b>Insured Premises</b> means:</p> <p>(1) The same as described in SECTION I.</p> <p>(2) That part of any other premises, other structures, and land used by <b>you</b> as a residence and which is shown on the Schedule Page.</p> <p>(3) Any other premises acquired by <b>you</b> during the term of this policy which <b>you</b> intend to use as a <b>residence premises</b>.</p> <p>(4) Any part of premises which is not owned by an <b>Insured Person</b> but where the <b>Insured Person</b> may be temporarily residing or which an <b>Insured Person</b> may occasionally rent for non business purposes.</p> <p>(5) Vacant land, other than farmland, owned or rented to an <b>Insured Person</b>.</p> <p>(6) Cemetery plots or burial vaults owned by an <b>Insured Person</b>.</p> <p>(7) Land on which a single or two family residence is being built for an <b>Insured Person</b>, if the land is owned by or rented to the <b>Insured Person</b>.</p>

<b>Loss</b>	means direct, sudden and accidental physical <b>loss</b> or damage.
<b>Money</b>	means currency, coins, bank notes or bullion.
<b>Motor Vehicle</b>	means: (1) A motorized land vehicle made for use on or off public roads, whether or not licensed for road use. It does not mean a golf cart while used on a golf course for golfing purposes, or lawn and garden equipment while used on <b>insured premises</b> . (2) A trailer or semitrailer made for use on or off public roads. (3) Any vehicle while being towed or carried by one of the above <b>Motor Vehicles</b> . (4) All-terrain vehicles, mopeds, motorcycles, automobiles and snowmobiles.
<b>Occurrence</b>	means an accident, including continuous or repeated exposure to substantially the same general harmful conditions which results in <b>bodily injury</b> or <b>property damage</b> during the policy period.
<b>Pollutants</b>	means any solid, liquid, gaseous or thermal irritant or contaminate, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes but is not limited to materials to be recycled, reconditioned or reclaimed.
<b>Property Damage</b>	means physical damage or destruction of tangible property, including <b>loss</b> of its use.
<b>Residence Employee</b>	means <b>your</b> employee who does maintenance or other work having to do with the use of the <b>Insured Premises</b> . This does not include an employee of <b>your business</b> .
<b>Sinkhole Collapse</b>	means <b>loss</b> to insured property arising out of, or caused by sudden settlement or collapse of the earth supporting <b>your</b> insured property. The settlement or collapse must result from subterranean voids created by the action of water on limestone or similar rock formations.
<b>Smoke Damage</b>	means sudden, accidental <b>smoke damage</b> caused by other than from smudging or industrial smoke. It does not mean gradual buildup of any oily or greasy substance or film.
<b>Theft</b>	means <b>loss</b> or damage caused by the unlawful taking of property, but not the mysterious disappearance of property where there is no reasonable presumption of unlawful taking.
<b>Vehicle Damage</b>	means <b>loss</b> to the property insured caused by any vehicle not owned or used by an <b>Insured Person</b> while the Manufactured Home is not on a public right of way.

In return for your premium we agree to provide insurance. Some of the coverages set out below are optional benefits we offer. The coverage you have bought are shown on the Schedule Page.

## SECTION I: PROPERTY COVERAGES

For the coverages **you** have selected, **we** provide insurance for direct, sudden and accidental **losses** to covered types of property due to perils set out below.

### Types of Property Covered

**We** cover the following types of property, if shown on the Schedule Page:

(1) **Coverage A: Your** Manufactured Home shown on the Schedule Page. This includes the parts, accessories and equipment that were originally built into the Manufactured Home and form a permanent part of its structure.

**Your** Manufactured Home also includes the following:

- (a) Steps connected to the Manufactured Home.
- (b) Oil or gas drums or tanks that are connected to the Manufactured Home and furnish heating or cooking fuel to it.
- (c) Attached Appurtenant Structures including but not limited to carports, awnings, air conditioners, patio covers, porches, cabanas, lean-tos, add-on rooms, carports, roof-overs, and garages that are attached to the Manufactured Home and for which a specific premium charge has been made. Automatic additional coverage equal to 10% of **your** Manufactured Home coverage will be allowed for Attached Appurtenant Structures purchased or constructed after the effective date of the policy. Coverage will apply for a maximum of 60 days after date of purchase and completion.
- (d) Outside radio or television antennas, towers, including satellite receiver systems and all associated components, located outside or inside **your** Manufactured Home or an Attached Appurtenant Structure to the extent of \$250.00.
- (e) The appliances, furniture and equipment that were furnished by the manufacturer or dealer as standard equipment with the Manufactured Home.
- (f) Optional equipment described in the Certificate of Origin or **your** sales invoice.
- (g) Any replacements of standard or optional equipment.
- (h) All water pumps on premises to the extent of \$500.00 in value.

(2) **Coverage B: Unattached Appurtenant Structures** meaning but not limited to utility sheds, pump houses and unattached garages. This does not include barns, or farm or livestock structures. Automatic additional coverage equal to 10% of **your** Manufactured Home coverage will be allowed for Unattached Appurtenant Structures purchased or constructed after the effective date of the policy. Coverage will apply for a maximum of 60 days after the date of purchase and completion.

(3) **Coverage C: Your Personal Property** meaning household and other items usual or incidental to the use of the Manufactured Home as **your** dwelling. These items are covered while they are on the **Insured Premises**. For Items located elsewhere you may apply up to 10% of the Personal Property Coverage limit, but this does not increase the coverage limit shown on the Schedule Page. At **your** request, in writing, **we** will also cover the Personal Property of a guest (other than a roomer or boarder) or a **residence employee** while on the **Insured Premises**. Items are not covered while being mailed or shipped. Personal Property does not include Appurtenant Structures.

### Property Not Covered

**We** do not cover the following types of property:

- (1) Aircraft, farm machinery, **motor vehicles** (including their parts and accessories other than those used only to maintain the **Insured Premises**), golf carts, mopeds, campers, trailers, watercraft or their equipment.
- (2) Items carried or held as samples or for sale or delivery after sale.
- (3) **Animals**, birds, fish.
- (4) Business property including tools, equipment and supplies used in connection with your **business** or occupation.
- (5) Manufactured Homes rented to others unless shown on Schedule Page.
- (6) Property specifically covered by other insurance.
- (7) Swimming pools, equipment, accessories, and supplies.

## Special Limits on Certain Personal Property

**We** limit the amount **we** will pay for **loss** of Certain Personal Property resulting from **theft**. These limits do not increase the limits for **your** Personal Property.

The special limit for each numbered category below is the total limit for each **loss** for all property in that category.

- (1) \$100 on bank notes, bullion, gold other than goldware, silver other than silverware, and precious metals.
- (2) \$500 on Fine Arts including art, ceramics, china, antiques, heirlooms, paintings and similar articles of rarity or antiquity which cannot be replaced.
- (3) \$500 for cameras, camcorders, or camera equipment.
- (4) \$500 for jewelry, watches and other timepieces, furs, precious and semiprecious stones.
- (5) \$1,000 for tools.
- (6) \$1,000 for silverware, silver-plated ware, goldware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
- (7) \$1,000 for guns and related accessories.
- (8) \$1,000 for musical instruments. This limitation does not apply to pianos and organs.
- (9) \$2,500 for computers, software or accessories.

**We** also limit the amount **we** will pay for **loss** of certain Personal Property resulting from any covered peril. These limits do not increase the limits for **your** Personal Property. The special limit for each numbered category below is the total limit for each **loss** for all property in that category.

- (1) \$100 on **money**.
- (2) \$500 on philatelic, card, memorabilia, and numismatic collections, collectibles, and related accessories, but not to exceed \$100 for any single item.
- (3) \$500 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, personal records, passports, manuscripts, and tickets. This 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.

## Perils We Insure Against

**We** will pay for sudden and accidental loss against the following perils, if shown on the Schedule Page:

- (1) **Open Perils.** **We** will pay for direct physical **loss** to **your** insured property, subject to certain limitations and exclusions.
- (2) **Named Perils.** **We** will pay for direct physical **loss** to **your** insured property caused by fire, lightning, **theft**, windstorm, tornado, hail, explosion, **vehicle damage**, **smoke damage**, vandalism, malicious mischief, riot, civil commotion, missiles, aircraft, falling objects, accidental discharge or overflow of water or steam from within a plumbing or heating system, freezing of plumbing, heating or air-conditioning systems, collapse of buildings or any part thereof, sudden and accidental discharge of water from a burst plumbing, heating or air-conditioning system, glass breakage, weight of ice, snow or sleet, subject to certain limitations and exclusions.

## Supplemental Coverages

The following coverages are provided without extra premium and without a deductible when **we** insure **your** Manufactured Home:

- (1) **Coverage D: Additional Living Expenses** – If **you** are not able to live in **your** Manufactured Home due to a covered **loss**, **we** will pay up to 10% of **your** Manufactured Home limits. **We** will pay the increased amount necessary to continue as nearly as practicable the normal standard of living of **your** household for a time period not to exceed the lesser of:
  - (a) A reasonable amount of time to repair or replace **your** damaged property;
  - (b) The time required for **you** to become settled in permanent quarters;
  - (c) The time between the date of **loss** and 7 days after the company makes an offer of final settlement.

**You** must provide receipts of **your** expenses at **our** request.

- (2) **Fire Department Service Coverage – We** will pay up to \$250 for charges, if any, each time the fire department is called to save or protect **your Insured Premises**.
- (3) **Emergency Removal Coverage –** When it is expected that **your** Manufactured Home may be damaged by a covered peril, **we** will pay up to \$300 of the cost of removal and return expenses to protect the Manufactured Home.
- (4) **Trees, Shrubs, Plants and Lawns – We** will pay up to \$200 for trees, shrubs, plants and lawns on the **Insured Premises** other than those grown for **business** reasons.

**We** will cover these items only against **loss** by fire, lightning, civil commotion, vandalism or falling objects. **We** will not pay more than \$100 for any one lawn or tree. **We** will not pay more than \$25 for any one plant or shrub.

- (5) **Debris Removal – We** will cover your incurred expense up to 3% of **your** Manufactured Home limits (not over \$500) for the cost of removing debris caused by **loss** from a covered peril.
- (6) **Credit Card, Forgery, Counterfeit Money, and Phone Cards – We** will pay up to \$500 for:
  - (a) **Your** legal duty to pay losses due to the loss or unauthorized use of **your** credit card(s), phone card(s) and fund transfer card(s). **We** do not cover use by a member of **your** household or a person to whom **you** have given the card(s). This coverage does not apply if **you** have not complied with all terms and conditions under which the cards are issued.
  - (b) **Your loss** caused by forgery or alteration of any check or negotiable instrument.
  - (c) **Your loss** through good faith acceptance of counterfeit United States or Canadian currency.
  - (d) **Your** reasonable legal expense when suit is brought against **you** for someone else's unauthorized use of **your** credit cards, phone cards and fund transfer cards or forgery or alteration of **your** checks, drafts, notes or similar written promises. **Our** payment for these expenses is in addition to any other amount **we** may pay for these **losses**.

**We** do not pay for a **loss** arising out of **your business** or the dishonesty of an **Insured Person**.

### Supplemental Coverage for Tenants

**If you are a tenant, we** provide **you** without additional charge the following coverages:

- (1) Additional Living Expense – If the Manufactured Home **you** reside in is made uninhabitable due to a covered **loss, we** will pay up to 20% of **your** Personal Property limits shown on the Schedule Page, for any necessary increase in living expenses so that **your** household can maintain its normal standard of living. Conditions are the same as those for the Additional Living Expenses Coverage for owner-occupied Manufactured Homes.
- (2) Credit Card, Forgery, and Counterfeit **Money** – See item 6 above.

### General Exclusions and Conditions

**We** do not pay for **loss** to the types of property covered under this policy caused by any of the following. Such **loss** is excluded regardless of any other cause or event contributing concurrently or in any sequence to the **loss**.

- (1) **Loss** or damage due and confined to wear and tear, gradual deterioration, neglect, rust, wet/dry rot, mold, contamination, birds, vermin, rodents, insects, domestic **animals**, inherent vice, mechanical or electrical breakdown or failure, manufacturer or workmanship defect, power surges, brownout or latent defect.
- (2) **Animals** which **you** own or possess.
- (3) Gradual, continuous or repeated leakage (occurring over a period of weeks, months or years) of water or steam from a plumbing system, heating unit, air conditioner, or home appliance unless the result of a covered peril.
- (4) Accidental discharge or overflow of water or steam from within a plumbing, heating or air-conditioning system if the Manufactured Home had been vacant or unoccupied beyond a period of 30 consecutive days immediately preceding the **loss**. The repairs to the system are excluded unless the damage is the result of a covered peril.
- (5) Water which backs up through sewers or drains or from below the surface of the ground.
- (6) Mysterious disappearance.
- (7) Disappearance of a precious or semiprecious stone from its setting.
- (8) Mechanical, electrical or utility failures unless the result of a covered peril.
- (9) Leaking into the Manufactured Home or Appurtenant Structures caused by rain, snow, sleet, ice damming, ice break-up, freezing and thawing effect. This is excluded whether wind driven or not, unless the leaking is caused by a covered peril and exterior damage that is the apparent cause of leaking is present.
- (10) The enforcement of any law as to building, repair, moving or occupancy of the Manufactured Home or Appurtenant Structures.
- (11) War, including undeclared war, rebellion, revolution, or a warlike act by military personnel.

- (12) Nuclear action or reaction, radiation or radioactive contamination. However we will cover **loss** by fire resulting from the nuclear hazard.
- (13) Collision or upset of **your** Manufactured Home while it is in transit.
- (14) **Loss** to Insured Property:
  - (a) Resulting from Intentional acts by an **Insured Person** or anyone who has legal possession of the property, such as Land Contract Holder, tenant or any occupant.
  - (b) While **your** property is rented or used for **business** purposes.
  - (c) At any other premises owned, rented or used by **you** unless **you** are temporarily living there. **Loss** by **theft** as a result of repeated entry and taking of property within a 24-hour period will be considered as one **loss**.
  - (d) Arising out of the illegal acts of an **Insured Person** and any damage committed during any criminal act of an **Insured Person**.
  - (e) Due to vandalism; malicious mischief; irresponsible, careless or unsanitary acts or practices by a tenant; members of the tenant's household or the tenant's employees.
- (15) **Loss** to tires, wheels or axles, except **loss** caused by fire.
- (16) **Smoke damage** from a fireplace, supplemental heating device, farm smudging or industrial smoke.
- (17) Electrical current artificially generated, to tubes, transistors or similar electronic components.
- (18) Settling, cracking, shrinkage, bulging or expansion unless the result of a covered peril.
- (19) Collapse to outdoor equipment, fences, pavement, patio, swimming pools, underground pipes, flues, drains, cesspools and septic tanks, foundations, retaining walls, bulkheads, piers, wharves or docks, all except as direct result of the collapse of a building.
- (20) Falling objects unless the building covered or containing the property first sustains actual damage to the exterior of the roof or walls by the falling objects. Outdoor equipment, awnings and fences are excluded.
- (21) **Theft** in or to a dwelling under construction or of material or supplies until completed and occupied.
- (22) **Theft** of Personal Property on any **motor vehicle**, trailer or watercraft.
- (23) **Theft** of Personal Property in any **motor vehicle**, trailer, or watercraft, unless there is forcible entry while all its doors, windows and other openings are closed and locked, and there are visible signs of forcible entry.
- (24) Contributed to or aggravated by any of the following: flood, surface water, waves, tidal water or tidal waves, overflow of any stream or other body of water, or spray from any of the foregoing, all, whether driven by wind or not.
- (25) **Loss** to the property described in **Types of Property Covered** (1), (2), and (3) caused directly by **earth movement**; unless direct **loss** by:
  - (a) Fire;
  - (b) Explosion other than explosion of a volcano; or
  - (c) Breakage of glass or safety glazing material which is a part of a building, storm door or storm window, ensues and then **we** will pay only for the ensuing **loss**.

This provision does not apply to **loss** to covered property which is caused by **sinkhole collapse**. **We** will cover direct physical **loss** to **your** Manufactured Home, Appurtenant Structures, or Personal Property which is caused by **sinkhole collapse**. **We** will not cover the cost of filling sinkholes.

- (26) Damage by **motor vehicles** operated by an **Insured Person**.
- (27) Release, penetration, discharge, dispersal, seepage, migration or escape of pollutants or contaminants into the **environment**, including damage by chemicals no matter how caused.
- (28) the failure of power or other utility service if the failure takes place off of the **insured premises**.

**We** do not pay for **loss** to the types of property covered under this policy caused by any of the following. However, any ensuing **loss** to this property not excluded or excepted in this policy is covered.

- (1) Weather conditions:
 

However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in the General Exclusions above to produce the **loss**.
- (2) Acts, decisions or the failure to act or decide by any person, group, organization, or governmental body.
- (3) Faulty, inadequate, or defective:
  - (a) planning, zoning, development, surveying or siting.
  - (b) design, specifications, workmanship, repair, construction, renovation, remodeling, grading or compaction.
  - (c) material used in repair, construction, renovation or remodeling.
  - (d) maintenance of part or any property, whether on or off the insured premises.

# RIGHTS AND DUTIES - CONDITIONS APPLYING TO SECTION I

## WHAT YOU MUST DO IN CASE OF VACANCY OR UNOCCUPANCY OF YOUR MANUFACTURED HOME

It is **your** duty to notify **us** within 60 days after your Manufactured Home has been left vacant, and/or 120 days after it has been unoccupied. If **you** do not notify **us** in writing within the above specified time, all coverages provided by this policy will be suspended until written notice has been received.

### LIMITS OF LIABILITY

The most **we** will pay for **loss** or damage in any one occurrence is shown on the Schedule Page for each kind of property insured. **Our** payment shall not exceed the lowest of:

- (1) The actual cash value of the property just before the **Loss**; or
- (2) The difference between the actual cash value just before and just after the **Loss**; or
- (3) The cost to repair or replace the property; or
- (4) The limits of liability on the Schedule Page.

### METHOD OF SETTLEMENT FOR OTHER THAN HAIL LOSS

In the event of a covered **loss**, **we** will pay for the **loss** or repair or replace the covered property, based upon **Actual Cash Value**. **Actual Cash Value** is calculated by determining the replacement cost of your property and then subtracting depreciation for wear and tear. **Our** method of settlement is as follows:

- (1) When the damage to **your** property can be economically repaired, **we** will determine the cost of repairing **your** damage, less reasonable deduction for wear and tear, deterioration and obsolescence; OR
- (2) When the damage to **your** property cannot be economically repaired, it is the market value of available, identical property, less reasonable deduction for wear and tear, deterioration and obsolescence; OR
- (3) When the **loss** to **your** property creates a total loss, it is market value of like kind and quality property in a used condition equal to that of destroyed property, if reasonably available on the used market

**We** may return stolen property at any time before the **loss** is paid or the property replaced. **We** may settle any claim with **you** or the lender. When **we** replace or pay for property it becomes **ours**. **We** do not cover the property or interest of others unless they are provided for in this policy and are included in **your** proof of **loss**.

### METHOD OF SETTLEMENT FOR HAIL LOSS

The amount we will pay for loss or damage from hail is subject to the following:

- (1) For structural loss, meaning the actual penetration of the exterior surface or the cracking or breaking of support materials, the amount we pay will be the lower of:
  - (a) the cost of repairing or replacing the damaged portion of the property; or
  - (b) the limit of liability applying to your Manufactured Home.
- (2) For nonstructural loss, the amount we pay will be the lower of:
  - (a) the cost of repairing or replacing the damaged portion of the property; or
  - (b) the difference between the Actual Cash Value of the damaged property before and after the loss.

### SETTLEMENT FOR PAIRS OR SETS

Our settlement options for loss to a pair, set, series of objects, pieces or panels, inside or outside are:

- (1) To pay the reasonable cost entailed in matching the remaining undamaged panels as closely as possible;
- (2) To pay the reasonable cost of providing an acceptable decorative effect or utilization as circumstances may warrant;
- (3) To pay the difference between the actual cash value of the pair or set before and after the loss if the materials are unavailable or obsolete.

**We** cannot guarantee the availability and are not liable when a piece or panel is damaged for the value, repair or replacement of the entire series of pieces or panels.

## DEDUCTIBLE

Some **losses** are subject to deductible amounts as shown on the Schedule Page or elsewhere in this policy. When **your loss** is the deductible amount or less, **you** pay it all. When **your loss** is more than the deductible, **you** pay the deductible; **we** pay the rest up to the limit of liability for that type of property. The deductible may vary by coverage. Only one deductible amount will be applied to a **loss** from one event; however, if there is more than one manufactured home insured by this policy, the deductible shall apply separately to each manufactured home for a **loss** from one event.

## CHANGE OF LOCATION

If you move your Manufactured Home, you must notify us in writing within 30 days.

## PAYMENT OF LOSS

When you have a covered loss, we will pay you within 60 days after the loss amount has been determined; and you have filed a proper proof of loss.

## APPRAISALS

If **you** and **we** cannot agree on the amount of **loss**, either of **us** may request a formal appraisal. The party making the request must notify the other party in writing. Each of **us** then selects a competent, independent appraiser, and must notify the other party of the appraiser's identity within 20 days after the written request for appraisal is received. The appraiser shall determine the **loss** amount and notify both of **us** in writing. If the appraisers are unable to agree, they select a competent, impartial umpire. If they cannot agree upon an umpire within 20 days, **you** or **we** may ask a judge of a court of record in the state to select an umpire. The differences are submitted to the umpire. The written agreement signed by any two of the three will be binding on **you** and **us**. Each of **us** pays the cost of his own appraiser. **We** equally share the cost of the umpire.

## OTHER INSURANCE

If both this and other insurance apply to a **loss**, **we** will pay **our** share. **Our** share will be the proportionate amount that this insurance bears to the total amount of all applicable insurance. This insurance is excess over any other insurance that covers **loss** of Personal Property specifically covered under other insurance.

## INSURABLE INTEREST AND OUR LIABILITY

In the event of a **loss**, **we** will not pay for more than **your** insurable interest in the property covered, or more than the amount of coverage afforded by this policy.

## LENDER'S INTEREST

The lender is the party that loaned **you money** on **your** Manufactured Home. If a lender is named on the Schedule Page, any **loss** will be paid to **you** and the lender as **your** and their interest may appear. **You** must tell **us** when **you** pay off the lender. If **your** interest in the Manufactured Home is terminated, **our** payment will recognize only the lender's interest. No change in title or ownership of **your** Manufactured Home or any acts of **yours** will affect the lender's interest in this policy.

**You** or the lender must let **us** know of any change of ownership or any increase in hazard which **you** or the lender know about. If an increase in hazard requires an additional premium, **you** must pay the additional premium. If **you** fail to pay any premium due for this policy, **your** lender may be requested to pay that premium. If **you** fail to give **us** sworn proof of **loss** within 90 days, the lender has another 30 days to do so.

## ABANDONED PROPERTY

**We** are not obliged to accept abandoned property.

## AUTOMATIC REINSTATEMENT

A covered **loss** to **your** property reduces the limit of insurance by the amount of the **loss**. Upon repair or replacement of the damaged property the limit of insurance will return to the limit applicable prior to the **loss**.

## NO BENEFIT TO BAILEE

A bailee is a person or entity (other than **you**) to whom **you** have given possession of insured property. **We** will not honor an assignment nor extend coverage to a bailee.

## SUIT AGAINST US

**You** may not sue **us** on this policy unless **you** have complied fully with all of the terms. Suit must be brought within one year after the **loss**.

## WHAT YOU MUST LOSS

As soon as possible after a covered loss occurs, but within 60 days of **loss**, unless extended by **us** in writing, **you** must:

- (1) Notify **us** or **our** agent with the following data:
  - (a) **your** name and policy number,
  - (b) the time, place and details of the accident or **loss**,
  - (c) if the **loss** is under the Credit Card Supplemental Coverage, also notify the Credit Card Company.
- (2) If the **loss** is a **theft**, report it to the police within 24 hours after **you** discover the **theft**.
- (3) Protect damaged property from further damage. If **you** fail to do so, **we** will not pay for further damage. **We** will pay **you** for **your** reasonable expenses incurred to protect **your** property.
- (4) Let **us** examine **you** under oath. **You** must provide **us** with signed statements and submit to examinations under oath as **we** may reasonably require. **You** must give **us** personal records such as tax records, bank statements, sales receipts, and an inventory of damaged property showing the quantity, description, value and amount of **loss** at **our** request.
- (5) Give **us** the opportunity to inspect and appraise damage before it is repaired or replaced. Emergency repairs may be arranged without affecting **your** coverage.
- (6) You must send to **us**, within 60 days after our request, **your** signed, sworn proof of **loss** which sets forth to the best of **your** knowledge and belief:
  - (a) the time and cause of loss;
  - (b) the interest of the **Insured Person** and all others in the property involved and all liens on the property;
  - (c) other insurance which may cover the loss;
  - (d) changes in title or occupancy of the property during the term of the policy;
  - (e) specifications of damaged property and detailed repair estimates.

## SECTION II – LIABILITY COVERAGES

### COVERAGE E: PERSONAL LIABILITY COVERAGE

If a claim is made or a suit is brought against **you** for damages because of **Bodily Injury** or **Property Damage** arising out of an **occurrence**, **we** will

- (1) Pay up to **our** liability limit for the damages for which **you** are legally liable; and to which this insurance applies.
- (2) Provide a defense at **our** expense by counsel of **our** choice even if the suit is groundless, false, or fraudulent. **We** may make any investigation and settle any claim or suit. **Our** obligation to defend any claim or suit ends when the amount **we** pay for damages resulting from the **loss** equals **our** liability limit.

### COVERAGE F: MEDICAL PAYMENTS TO OTHERS COVERAGE

**We** will pay, up to limits shown on the Schedule Page, the necessary medical expenses incurred and reported to **us** within 1 year from the date of an accident causing **Bodily Injury**. Medical expenses means reasonable charges for medical, ambulance, and funeral services. This coverage does not apply to **you** or regular residents of **your** household other than **Residence Employees**. As to others, this coverage applies only:

- (1) To a person on the **Insured Premises** with **your** permission; or

- (2) To a person off the **Insured Premises**, if the **Bodily Injury**:
  - (a) Arises out of a condition of the **Insured Premises** or the ways immediately adjoining;
  - (b) is caused by **your** activities;
  - (c) is caused by a **Residence Employee** in the course of employment by **you**; or
  - (d) is caused by an **animal** owned by **you** or in **your** care.

## ADDITIONAL COVERAGES

**We** will cover the following in addition to the Personal Liability limit:

- (1) Damage to Property of Others. **We** will pay up to \$250 per **occurrence** for **Property Damage** to property of others caused by **you**. **We** will not pay for **Property Damage**:
  - (a) To property covered under Section I of this policy;
  - (b) Caused intentionally by any **Insured Person** who is 13 years of age or older;
  - (c) To property owned by or rented to **you**, a tenant of **yours**, or a resident in **your** household; or
  - (d) Arising out of or in connection with:
    - (i) **Business** pursuits; or
    - (ii) Any act or omission in connection with a premise owned, rented or controlled by you, other than the **Insured Premises**; or
    - (iii) The ownership, maintenance or use of aircraft, watercraft or a **Motor Vehicle** other than one used only to maintain the **Insured Premises**.
- (2) Claim expenses. **We** pay:
  - (a) Expenses incurred by **us** and costs taxed against **you** in any suit **we** defend;
  - (b) Premiums on bonds required in a suit defended by us, but not for bond amounts greater than **our** liability limit. **We** are not obligated to apply for or furnish any bond;
  - (c) Reasonable expenses incurred by **you** at **our** request, including actual **loss** of earnings, up to \$50 per day for assisting us in the defense of any suit;
  - (d) Interest on the entire judgement which accrues after entry of the judgement and before **we** pay or tender, or deposit in court that part of the judgement which does not exceed **our** liability limit.
- (3) First Aid Expenses. **We** will pay expenses for first aid to others caused by an **Insured Person** for **bodily injury** covered under this policy. **We** will not pay for first aid to **you** or any other **Insured Person**.

## EXCLUSIONS

- (1) Under Personal Liability Coverage and Medical Payments to Others Coverage **we** do not cover **Bodily Injury** or **Property Damage**:
  - (a) Arising out of any willful or malicious act or omission by any person. **We** also will not cover claims for acts or omissions of any person which are intended to result in **bodily injury** or **property damage**, or which would be expected by a reasonable person to result in **bodily injury** or **property damage**.
  - (b) Arising out of or in connection with:
    - (i) A **business** engaged in by an **Insured Person**. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the **business**.
    - (ii) The rental or holding for rental of any part of any premises by an **Insured Person**. This exclusion does not apply to the rental or holding for rental of an **insured premises** on an occasional basis if used only as a residence.
  - (c) Arising out of the rendering or failing to render professional services.
  - (d) Arising out of any premises owned or rented to **you** which is not an **Insured Premises**.
  - (e) Arising out of the ownership, maintenance, use, loading or unloading of:
    - (i) An aircraft;
    - (ii) A **Motor Vehicle** (other than one while being used to maintain the **insured premises**) owned or operated by, or rented or loaned to **you**; or
    - (iii) A watercraft owned or operated by, or rented or loaned to you if the aircraft:
      - (A) Has inboard or inboard-outboard motor power with more than 25 total horsepower; or
      - (B) Is a sailing vessel with or without auxiliary power, 26 feet or more in overall length; or
      - (C) Is powered by one or more outboard motors with more than 25 total horsepower; or
      - (D) Is a personal motorized watercraft including, but not limited to jet skis, or other similar watercraft.

- (f) Caused by discharge of any nuclear weapon (even if accidental), war (declared or not), civil war, insurrection, rebellion, revolution, riot or civil commotion, or any consequence of any of these.
- (g) Arising out of the movement of the Manufactured Home on any public or private right of way or operations of setup or movement.
- (h) Arising out of the transmission of a communicable disease by an **Insured Person**.
- (i) Arising out of the rendering of home day care services.
- (j) Arising out of any violation of a criminal law either by or with the knowledge or consent of an **Insured Person**, regardless of whether that person is actually charged with or convicted of a crime.
- (k) Arising out of the use, possession, manufacture, sale, delivery, or transfer by any person of a controlled substance as defined by the Federal Food & Drug Administration. Controlled substances include, but are not limited to, marijuana, cocaine, LSD and all narcotic drugs. This does not apply to legitimate use of prescription drugs as directed by a licensed physician.
- (l) Any **loss** or expense including cleanup costs resulting from asbestos or asbestos-containing material.
- (m) Any **loss** or expense including cleanup costs resulting from the toxic properties of lead or lead-containing products, materials or substances. This exclusion applies to all forms of lead including, but not limited to, solid, liquid, vapor or fumes. This exclusion also applies to any **loss**, cost or expense arising out of any request, demand or order from anyone including any government authority to test for, monitor, cleanup, abate, remove, contain threat, detoxify or neutralize or in any way respond to or assess the effects of lead.
- (n) **Bodily Injury** to any person eligible to receive any benefits required to be provided or voluntarily provided by you under any worker's compensation, non occupational disability, or occupational disease law.

Exclusions (d) and (e) do not apply to **Bodily Injury** to any **Residence Employee** arising out of and in the course of the **Residence Employee's** employment.

(2) Personal Liability Coverage does not apply to:

- (a) Liability assumed under any contract or agreement in connection with any **business of yours**;
- (b) **Property Damage** to property owned by **you**;
- (c) **Property Damage** to property rented to, occupied or used by **you** or in **your** care, custody or control. This exclusion does not apply to **Property Damage** caused by fire, explosion, smoke or smudging resulting from the sudden, unusual or faulty operation of any heating or cooking unit.
- (d) **Bodily Injury** to persons residing in **your** household, other than **Residence Employees**;
- (e) Bodily Injury for persons eligible for benefits required to be or voluntarily provided by **you** under any workers compensation, non occupational disability or occupational disease law.
- (f) Claims, costs or awards for punitive or exemplary damages;
- (g) **Bodily Injury** or **property damage** in excess of \$2,500 arising out of the actual, alleged or threatened discharge, dispersal, release or escape of **pollutants**:
  - (i) at or from premises owned, rented or occupied by **you**;
  - (ii) at or from any site or location used by or for **you** or others for the handling, storage, disposal, processing or treatment of waste;
  - (iii) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for **you** or any person or organization for whom **you** may be legally responsible; or
  - (iv) at or from any site or location on which **you** or any contractors or subcontractors working directly or indirectly on **your** behalf are performing operations;
    - (a) if the **pollutants** are brought on or to the site or location in connection with such operations; or
    - (b) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the pollutants.
  - (v) to any **loss**, cost or expense arising out of any governmental direction or request that **you** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **pollutants**.

This limitation does not apply to **bodily injury** or **property damage** caused by heat, smoke or fumes from a hostile fire. As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

(3) Medical Payments to Others Coverage does not apply to **Bodily Injury**;

- (a) To a **Residence Employee** if it occurs off the **Insured Premises** and does not arise out of or in the course of, the **Residence Employee's** employment;
- (b) To any person eligible for benefits required to be or voluntarily provided under any worker's compensation, non occupational disability or occupational disease law.
- (c) To any person, other than a **Residence Employee** of an **Insured Person** regularly residing on any part of the **Insured Premises**.

## RIGHTS AND DUTIES – CONDITIONS APPLYING TO SECTION II

### WHAT YOU MUST DO IN CASE OF LOSS

In case of an accident or **occurrence** an **Insured Person** shall perform the following duties that apply. **You** shall cooperate with **us** in seeing that these duties are performed:

- (1) Give written notice to **us** or **our** agent as soon as practicable. The notice must state:
  - (a) The identity of the policy and **Insured Person**;
  - (b) Reasonably available information on the time, place and circumstances of the accident or **occurrence**; and
  - (c) Names and addresses of any claimants and available witnesses.
- (2) Forward to **us** every notice, demand, summons or other process relating to the accident or **occurrence**.
- (3) At **our** request, assist in:
  - (a) Making settlement;
  - (b) The enforcement of any right of contribution or indemnity against any person or organization who may be liable to any **Insured Person**.
  - (c) The conduct of suits and attend hearings and trials; and
  - (d) Securing and giving evidence and obtaining the attendance of witnesses.
- (4) Under the coverage – Damage to Property of Others – submit to **us** within 60 days after the **loss**, a sworn statement of **Loss** and exhibit the damaged property, if within an **Insured Person's** control.
- (5) An **Insured Person** shall not, except at the **Insured Person's** own cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of the **Bodily Injury**.

### DUTIES OF AN INSURED PERSON – MEDICAL PAYMENTS TO OTHERS COVERAGE LIABILITY LIMIT

The injured person or someone acting on behalf of the injured person shall:

- (1) Give **us** written proof of claim, under oath if required, as soon as practicable;
  - (2) Execute authorization to allow **us** to obtain copies of medical reports and records; and
  - (3) Submit to physical examination by a physician selected by **us** when and as often as **we** reasonably require.
- Regardless of the number of **Insured Persons**, claims made or persons injured, the most we will pay under the Personal Liability Coverage stated in this policy for all damages resulting from any one **occurrence** is the liability limit for this Coverage as stated on the Schedule Page. All **Bodily Injury** and **Property Damage** resulting from any one accident or from continuous or repeated exposure to substantially the same general conditions shall be considered the result of one **occurrence**. The coverage amount is also the aggregate limit for all **occurrences** during the policy period. The most we will pay under the Medical Payments to Others Coverage for all medical expense payable for **Bodily Injury** to one person as the result of one accident is the liability limit for this Coverage as stated on the Schedule Page.

### SEVERABILITY OF INSURANCE

This insurance applies to each **Insured Person** against whom claim is made or suit is brought. This will be subject to the limit of liability and will not increase **our** liability limit arising out of any one **occurrence**.

### PAYMENT OF CLAIM – MEDICAL PAYMENTS TO OTHERS COVERAGE

Payment under this coverage is not an admission of liability by any **Insured Person** or **us**.

### SUIT AGAINST US

No action shall be brought against **us** unless there has been compliance with the policy provisions. No one shall have any right to join **us** as a party to any action against any **Insured Person**. Further, no action with respect to the Personal Liability Coverage shall be brought against **us** until the obligation of the **Insured Person** has been determined by final judgment or agreement signed by **us**.

## **BANKRUPTCY OF ANY INSURED PERSON**

Bankruptcy or insolvency of any **Insured Person** shall not relieve **us** of any of **our** obligations under this policy.

## **OTHER INSURANCE – PERSONAL LIABILITY COVERAGE**

This insurance is excess over any other valid and collectible insurance except insurance written specifically to cover as excess over the liability limits that apply in this policy.

## **RIGHTS & DUTIES – CONDITIONS APPLYING TO SECTIONS I & II**

### **DECLARATIONS**

By accepting this policy **you** agree that the statements on the Schedule Page are **your** agreements and representations. This policy is issued in reliance upon the truth of **your** representations. It includes all agreements existing between **you** and **us** or any of **our** agents.

### **CONCEALMENT OR MISREPRESENTATION**

This policy is void as to all **Insured Persons** defined in the definitions if any person so defined intentionally conceals or misrepresents any material fact or circumstances or makes false statements or engages in fraudulent conduct relating to this insurance either before or after a **loss**. If this policy is void, all premiums paid will be refunded since no coverage exists under this policy.

### **LIBERALIZATION CLAUSE**

If **we** revise the policy form to provide more coverage without additional premium charge, **your** policy will automatically provide the additional coverage as of the day the revision is effective in **your** state.

### **WAIVER OR CHANGE OF POLICY PROVISIONS – ASSIGNMENT**

This policy contains all the agreements between **you** and **us**. Its terms may not be changed or waived except by endorsement issued by **us**. If a change requires a premium adjustment, **we** will adjust the premium as of the effective date of change. Our request for an appraisal or examination shall not waive any of **our** rights. Assignment of **your** interest in this policy shall not bind **us** unless **we** give our written consent.

### **POLICY PERIOD**

This policy applies only to **Loss** which occurs during the policy period. The policy period is shown on the Schedule Page between the “From” and “To” dates.

### **TERRITORY**

This policy applies only while the Manufactured Home is within the United States or Canada, or is being transported between ports thereof.

## CANCELLATION

- (1) **You** may cancel this policy at any time by returning it to **us** or by notifying **us** in writing of the date cancellation is to take effect.
- (2) **We** may cancel this policy only for the reasons stated below by notifying **you** in writing of the date cancellation takes effect. This cancellation notice may be delivered to **you** or mailed to **you** at **your** address shown on the Schedule Page or the last address known to **us** or **our** authorized agent. Proof of mailing will be sufficient proof of notice.
  - (a) When **you** have failed to pay the premium by the due date, whether payable to **us** or to **our** agent or under any finance or credit plan, **we** may cancel by notifying **you** at least 10 days before the 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 notifying **you** at least 10 days before the 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 only for one or more of the following reasons by notifying **you** at least 30 days before the cancellation takes effect.
    - (i) This policy was obtained through material misrepresentation, fraudulent statements, omissions or concealment of fact material to the acceptance of the risk or to the hazard assumed by **us**;
    - (ii) There has been a substantial change or increase in hazard in the risk assumed by **us** subsequent to the date the policy was issued;
    - (iii) There is a substantial increase in hazard insured against by reason of willful or negligent acts or omissions by **you**; or
    - (iv) For any other reason approved by the State Department of Insurance.
- (3) If **your** policy is cancelled by **you**, or by **us**, **we** will return no more than the prorated unused share of **your** premium.
- (4) Any return premium will be refunded within a reasonable time after the date cancellation takes effect.

## DEATH

If **you** die, this policy will continue in force for the remainder of the time between the "From" and "To" dates shown on the Schedule Page. This policy will continue only for other members of **your** family entitled to coverage at the time of **your** death, or for **your** legal representative.

## BANKRUPTCY OF ANY INSURED PERSON

Bankruptcy or insolvency of any **Insured Person** shall not relieve **us** of any of **our** obligations.

## NOTICE TO AGENT

**Your** notice to **our** agent will be deemed to be notice to **us**.

## OUR RIGHT TO RECOVER PAYMENT FROM OTHERS

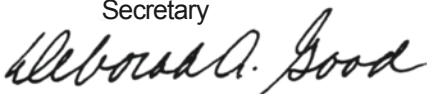
**You** or anyone else **we** pay under this policy may have the right to recover all or part of a **loss** from someone else. Once **we** pay **your** claim, this right of recovery will belong to **us**. Therefore, **you** or the person **we** pay must do everything possible to preserve **our** rights to collect. Before a **loss** occurs, **you** may waive in writing all rights of recovery against any person.

## POLICY CONFORMED TO STATUTE

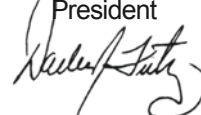
Any terms of this policy which are in conflict with the statutes of the state where issued are amended to conform to the minimum requirement of the statutes.

**IN WITNESS WHEREOF**, Aegis Group has caused this policy to be signed by its President and Secretary and countersigned on the Schedule Page by a duly authorized representative of the Company.

Secretary



President



**ADDITIONAL  
INSURED**

Name and Address of Person or Organization

**Insured Premises**

Interest

The definition of **Insured Person** in this policy includes the person or organization named above with respect to:

SECTION I: **Insured Premises** and

SECTION II: Personal Liability and Medical Payments to Others but only with respect to the **Insured Premises**.

This coverage does not apply to Bodily Injury to any employee arising out of or in the course of the employee's employment by the person or organization.

**THIS ENDORSEMENT CHANGES THE POLICY.  
PLEASE READ IT CAREFULLY.  
OUTSIDE RADIO OR TELEVISION ANTENNAS**

Form AS-1. SECTION I. COVERAGE A. PROPERTY COVERAGES. Types of Property Covered. (d) is deleted and replaced by the following:

For an additional premium, we cover outside radio, television antennas, including satellite receiving systems, or towers located on the premises and connected to a set located in the Manufactured Home or in an Attached Appurtenant Structure for \$\_\_\_\_\_ in value.

All other provisions of this policy apply. AS-19 (05/98)

**\$1,000 Windstorm Deductible**

It is understood and agreed that a \$1,000 deductible is applicable to all Windstorm losses as coverage is afforded in the Manufactured Home Form AS-1, under Perils Insured Against.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**PREMISES LIABILITY - RENTED TO OTHERS**

The coverage provided under the Manufactured Home Form AS-1, Section II -- Liability Coverages, Coverage E-Personal Liability Coverage, Coverage F-Medical Payments to Others Coverage, Additional Coverages and Exclusions are deleted and replaced by Premises Liability Coverage as contained herein:

**LIMITS OF LIABILITY:**

**Bodily Injury or Property Damage Limit**

**\$ per Occurrence**

**Medical Payments to Others Coverage**

**\$500 per Person; \$2,500 per Occurrence**

**SCHEDULE**

LOC	NO.	STREET	CITY	STATE	RATE PER UNIT	PREMIUM
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						

**TOTAL PREMIUM \$**

**SECTION II -- LIABILITY COVERAGES**

**Coverage E: Premises Liability Coverage**

If a claim is made or a suit is brought against **you** for damages because of **Bodily Injury** or **Property Damage** arising out of an occurrence, **we** will

- (1) Pay up to **our** liability limit for the damages for which **you** are legally liable; and to which this insurance applies.
- (2) Provide a defense at our expense by counsel of our choice even if the suit is groundless, false, or fraudulent. **We** may make any investigation and settle any claim or suit. **Our** obligation to defend any claim or suit ends when the amount **we** pay for damages resulting from the loss equals **our** liability limit.

**Coverage F: Medical Payments to Others Coverage**

**We** will pay, up to limits shown on the Schedule Page, the necessary medical expenses incurred and reported to **us** within 1 year from the date of an accident causing **Bodily Injury**. Medical expenses means reasonable charges for medical, ambulance, and funeral services. This coverage does not apply to **you** or regular residents of **your** household or rented property other than **Residence Employees**. As to others, this coverage applies only:

- (1) To a person on the **Insured Premises** with **your** permission; or
- (2) To a person off the **Insured Premises**, if the **Bodily Injury**:
  - (a) Arises out of a condition of the **Insured Premises** or the ways immediately adjoining;
  - (b) Is caused by **your** activities;
  - (c) Is caused by a **Residence Employee** in the course of employment by **you**; or
  - (d) Is caused by an **animal** owned by **you** or in **your** care.

## **Additional Coverages**

**We** will cover the following in addition to the Premises Liability limit:

- (1) Damage to Property of Others. **We** will pay up to \$250 per **occurrence** for **Property Damage** to property of others caused by **you**. **We** will not pay for **Property Damage**:
  - (a) To property covered under Section I of this policy;
  - (b) Caused intentionally by any **Insured Person** who is 13 years of age or older; (c) To property owned by or rented to **you**, a tenant of **yours**, or a resident in **your** household; or
  - (d) Arising out of or in connection with:
    - (i) **Business** pursuits, but not including rental to others of a residence premises listed herein; or
    - (ii) Any act or omission in connection with a premise owned, rented or controlled by **you**, other than the **Insured Premises**; or
    - (iii) The ownership, maintenance or use of aircraft, watercraft or a **Motor Vehicle** other than one used only to maintain the **Insured Premises**.
- (2) Claim expenses. **We** pay:
  - (a) Expenses incurred by **us** and costs taxed against **you** in any suit **we** defend;
  - (b) Premiums on bonds required in a suit defended by **us**, but not for bond amounts greater than **our** liability limit. **We** are not obligated to apply for or furnish any bond;
  - (c) Reasonable expenses incurred by **you** at our request, including actual **loss** of earnings, up to \$50 per day for assisting **us** in the defense of any suit;
  - (d) Interest on the entire judgment which accrues after entry of the judgment and before **we** pay or tender, or deposit in court that part of the judgment which does not exceed **our** liability limit.
- (3) First Aid Expenses. **We** will pay expenses for first aid to others caused by an **Insured Person** for **bodily injury** covered under this policy. **We** will not pay for first aid to **you** or any other **Insured Person**.

## **Exclusions**

- (1) Under Premises Liability Coverage and Medical Payments to Others Coverage **we** do not cover **Bodily Injury** or **Property Damage**:
  - (a) Arising out of any willful or malicious act or omission by any person. **We** also will not cover claims for acts or omissions of any person which are intended to result in **bodily injury** or **property damage**, or which would be expected by a reasonable person to result in **bodily injury** or **property damage**.
  - (b) Arising out of or in connection with:
    - (i) A **business** engaged in by an **Insured Person**. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the **business**. **Business** as used in this clause does not refer to rental to others of a residence premises by you.
  - (c) Arising out of the rendering or failing to render professional services.
  - (d) Arising out of any premises owned or rented to **you** which is not an **Insured Premises**;
  - (e) Arising out of the ownership, maintenance, use, loading or unloading of:
    - (i) An aircraft;

- (ii) A **Motor Vehicle** (other than one while being used to maintain the **insured premises**) owned or operated by, or rented or loaned to **you**; or
- (iii) A watercraft owned or operated by, or rented or loaned to you if the watercraft:
  - (A) Has inboard or inboard-outboard motor power with more than 25 total horsepower; or
  - (B) Is a sailing vessel with or without auxiliary power, 26 feet or more in overall length; or
  - (C) Is powered by one or more outboard motors with more than 25 total horsepower; or
  - (D) Is a personal motorized watercraft including, but not limited to jet skis, or other similar watercraft.
- (f) Caused by discharge of any nuclear weapon (even if accidental), war (declared or not), civil war, insurrection, rebellion, revolution, riot or civil commotion, or any consequence of any of these.
- (g) Arising out of the movement of the Manufactured Home on any public or private right of way or operations of setup or movement.
- (h) Arising out of the transmission of a communicable disease by an **Insured Person**.
- (i) Arising out of the rendering of home day care services.
- (j) Arising out of any violation of a criminal law either by or with the knowledge or consent of an **Insured Person**, regardless of whether that person is actually charged with or convicted of a crime.
- (k) Arising out of the use, possession, manufacture, sale, delivery, or transfer by any person of a controlled substance as defined by the Federal Food & Drug Administration. Controlled substances include, but are not limited to, marijuana, cocaine, LSD and all narcotic drugs. This does not apply to legitimate use of prescription drugs as directed by a licensed physician.
- (l) Any **loss** or expense including cleanup costs resulting from asbestos or asbestos containing material.
- (m) Any **loss** or expense including cleanup costs resulting from the toxic properties of lead or lead-containing products, materials or substances. This exclusion applies to all forms of lead including, but not limited to, solid, liquid, vapor or fumes. This exclusion also applies to any **loss**, cost or expense arising out of any request, demand or order from anyone including any government authority to test for, monitor, cleanup, abate, remove, contain threat, detoxify or neutralize or in any way respond to or assess the effects of lead.
- (n) **Bodily Injury** to any person eligible to receive any benefits required to be provided or voluntarily provided by **you** under any worker's compensation, nonoccupational disability, or occupational disease law.
- (o) **Bodily Injury** or **property damage** caused directly or indirectly relating to the actual, potential, alleged or threatened presence of mold, mildew or fungi of any kind whatsoever. In addition **we** will not pay for any **loss**, cost or expense that **you** may incur in testing for, monitoring, removing, treating, or in any way responding to the actual potential, alleged or threatened presence of mold, mildew or fungi of any kind whatsoever.

We will not defend you with respect to any claim or suit seeking such damages.

Exclusions (d) and (e) do not apply to **Bodily Injury** to any **Residence Employee** arising out of and in the course of the **Residence Employee's** employment.

- (2) Premises Liability Coverage does not apply to:
  - (a) Liability assumed under any contract or agreement in connection with any **business of yours**;
  - (b) **Property Damage** to property owned by **you**;
  - (c) **Property Damage** to property rented to, occupied or used by **you** or in **your** care, custody or control. This Exclusion does not apply to **Property Damage** caused by fire, explosion, smoke or smudging resulting from the sudden, unusual or faulty operation of any heating or cooking unit.
  - (d) **Bodily Injury** to persons residing in **your** household, other than **Residence Employees**;
  - (e) **Bodily Injury** for persons eligible for benefits required to be or voluntarily provided by you under any worker's compensation, nonoccupational disability or occupational disease law.
  - (f) Claims, costs or awards for punitive or exemplary damages;

- (g) **Bodily Injury** or **property damage** in excess of \$2,500 arising out of the actual, alleged or threatened discharge, dispersal, release or escape of **pollutants**:
- (i) at or from premises owned, rented or occupied by **you**;
  - (ii) at or from any site or location used by or for **you** or others for the handling, storage, disposal, processing or treatment of waste;
  - (iii) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for **you** or any person or organization for whom **you** may be legally responsible; or
  - (iv) at or from any site or location on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations;
    - (a) if the **pollutants** are brought on or to the site or location in connection with such operations; or
    - (b) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the **pollutants**.
    - (c) to any **loss**, cost or expense arising out of any governmental direction or request that **you** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **pollutants**.

This limitation does not apply to **bodily injury** or **property damage** caused by heat, smoke or fumes from a hostile fire. As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

- (3) Medical Payments to Others Coverage does not apply to **Bodily Injury**;
- (a) To a **Residence Employee** if it occurs off the **Insured Premises** and does not arise out of or in the course of, the **Residence Employee's** employment;
  - (b) To any person eligible for benefits required to be or voluntarily provided under any worker's compensation, nonoccupational disability or occupational disease law.
  - (c) To any person, other than a **Residence Employee** of an **Insured Person** regularly residing on any part of the **Insured Premises**.

The definition of the **Insured Premises** as respects Section II -- Liability Coverage, on Page 2 of the Policy is deleted and the following is substituted therefore:

In Section II--LIABILITY COVERAGES, **Insured Premises** means:

- (1) The part of any other premises, other structures and land rented to others by you as a residence premises.

All other terms and conditions of this Section shall apply.

**\$500 WINDSTORM DEDUCTIBLE**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

It is understood and agreed that a \$500 deductible is applicable to all windstorm losses, as coverage is afforded in the Manufactured Home Form AS-1.

**NORTH CAROLINA - AMENDMENT OF POLICY PROVISIONS**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**RIGHTS & DUTIES -- CONDITIONS APPLYING TO SECTION I**

**Suit Against Us** is deleted and replaced with the following:.

**Suit Against Us**

No action shall be brought unless there has been compliance with the policy provisions and the action is started within three years after the **occurrence** causing the loss or damage.

**RIGHTS & DUTIES -- CONDITIONS APPLYING TO SECTION II**

**Suit Against Us** is deleted and replaced with the following:.

**Suit Against Us**

No action shall be brought against **us** unless there has been compliance with the policy provisions. No one shall have any right to join **us** as a party to any action against any insured. Further, no action with respect to Coverage shall be brought against us until the obligation of the insured has been determined by final judgement or agreement signed by **us**.