

MOBILE HOMEOWNERS POLICY

SPECIAL FORM 3



Issued by
**AMERICAN FAMILY
MUTUAL INSURANCE COMPANY**
Madison, Wisconsin

Member of American Family Insurance Group



READ YOUR POLICY CAREFULLY

This policy is a legal contract between you (the policyholder) and the American Family Mutual Insurance Company. This cover sheet provides only a brief outline of some important features in your policy. The policy itself sets forth, in detail, the rights and obligations of you and our company. It is important that you read your policy carefully.

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INSURING AGREEMENT

We will provide the insurance described in this policy in return for your premium payment and compliance with policy provisions.

DEFINITIONS

When the following words in this policy have defined meanings, they will be printed in bold type.

You and your refer to the person or people shown as the named insured in the declarations. These words also refer to your spouse who is a resident of your household. We, us and our refer to the American Family Mutual Insurance Company.

1. **Bodily Injury** means bodily harm, sickness or disease. It includes required care, loss of services and resulting death.
2. **Business** means any profit motivated full or part-time trade, profession or occupation and the use of any part of any premises for such purposes. This includes regularly provided home day care services to a person or persons, other than insureds and relatives, for which an insured receives some monetary or other compensation for such services.
3. **Credit Card** means any card, plate, coupon book or other credit device for the purpose of obtaining money, property, labor, services on credit or for deposit, withdrawal or transfer of funds.
4. **Domestic Employee** means a person employed by an insured to perform duties for the maintenance or use of the insured premises. This includes persons who perform domestic services elsewhere for an insured. This does not include persons while performing duties for an insured's business.
5. **In Transit** means the period of time during which the leveling jacks or blocks are removed or all utilities are disconnected for the purpose of transporting the mobile home from one location to another. This applies whether or not the mobile home is momentarily in motion and whether on a public roadway or otherwise. The mobile home will not be considered in transit if it is being moved as an emergency measure to protect it from an impending loss from a Peril Insured Against.

6. Insured

a. **Insured** means you and your relatives if residents of your household. It also means any other person under the age of 21 in your care or in the care of your resident relatives.

b. Under Personal Liability and Medical Expense Coverages, **insured** also means:

- (1) any person or organization legally responsible for a watercraft or animal owned by any person included in paragraph "a" to which Section II Coverages apply. This does not include any person or organization using or having custody of the watercraft or animal in the course of any business or without your specific permission.
- (2) any person while working as a **domestic employee** of any person included in paragraph "a".
- (3) with respect to vehicles covered by this policy, a **domestic employee** of any person included in paragraph "a" while engaged in the employment of that person.
- (4) with respect to vehicles covered by this policy, any other person using such vehicle on the **insured premises** with your permission.

c. If you die, the person having proper temporary custody of covered property replaces you as the named insured. This applies only to insurance on covered property and legal liability arising out of that property. If you die, any person who is an insured continues to be an insured while residing on the **insured premises**.

d. Each person described above is a separate insured under this policy. This does not increase our limit.

7. Insured Premises

a. The **insured premises** mean the parts of the described mobile home and the described location which are used or occupied exclusively by your household for residential purposes.

b. For Personal Liability and Medical Expense Coverages, **insured premises** also include:

- (1) other premises listed in the declarations;
- (2) the part of any non-farm residential premises you acquire for **your** occupancy during the policy period if **we** are notified within 30 days following the date you acquired such premises;
- (3) vacant land (other than farm land) owned by or rented to an **insured**. This includes land on which a one or two family dwelling is being built for the personal use of an **insured**;
- (4) individual or family cemetery lots and burial vaults;
- (5) the part of any premises not owned by an **insured**, while an **insured** is temporarily residing there;
- (6) any premises you use in connection with the described location; and
- (7) approaches and access ways immediately adjoining the **insured premises**.

c. For Personal Liability Coverage:

PROPERTY COVERAGES SECTION I

COVERAGE A - MOBILE HOME

We cover the described mobile home on the insured premises including:

1. attached structures, equipment and accessories which are built into and form a part of the mobile home. This includes replacements for such items that remain a permanent part of the mobile home;
2. construction material located on the **insured premises** for use in connection with **your** mobile home;
3. permanently installed and/or wall-to-wall carpeting in the described mobile home;
4. skirting and steps;
5. tanks connected to and furnishing heating or cooking fuel to the mobile home;
6. anchors, straps and tie-down equipment; and
7. well pump.

Your mobile home must be used principally as a private residence.

Mobile Home Extension: We cover:

1. other structures on the **insured premises** not attached to the mobile home and those structures connected to the mobile home by only a utility line, fence or similar connection; and
2. construction material located on the **insured premises** for use in connection with the other structures.

The **insured premises** also includes any other premises which an **insured** may occasionally rent for other than **business purposes**.

8. **Limit** means the limit of liability that applies for the coverage.
9. **Medical Expenses** means reasonable and necessary expenses for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services.
10. **Occurrence** means an accident, including exposure to conditions, which results, during the policy period, in:
 - a. **bodily injury**; or
 - b. **property damage**.
11. **Property Damage** means physical damage to or destruction of tangible property, including loss of use of this property.
12. **Vacant** means being without contents or occupant, including when the **insured** has established another residence and does not intend to reoccupy this mobile home.

This is additional insurance for an amount up to 10% (in the aggregate) of Coverage A - Mobile Home. Coverage A - Mobile Home and Mobile Home Extension do not cover:

1. outdoor antennas or dish antennas including their lead-in wiring, accessories, masts and towers, except as covered by Supplementary Coverages;
2. detachable building items covered by Coverage B - Personal Property;
3. curtains, drapes and other window coverings, all whether or not permanently installed, except as covered by Coverage B - Personal Property;
4. structures designed or used for **business**;
5. structures rented or held for rental to other than a tenant in **your** mobile home, unless used solely as a private garage; or
6. any land on which the mobile home or other structures are located.

COVERAGE B - PERSONAL PROPERTY

1. **We cover personal property** owned by or used by any **insured** anywhere in the world. Any personal property when taken outside the United States or which is usually at any **insured's** residence, other than the mobile home described in the declarations, is covered

for up to 10% of the Coverage B - Personal Property limit but not less than \$2500. This limitation does not apply to personal property in a newly acquired principal residence located in the United States for the first 30 days after you begin to move there.

If you ask us to and when not insured by the owner, we will cover personal property owned by:

- a. others while it is on the part of the **insured premises** occupied exclusively by any **insured**; or
- b. a house guest or **domestic employee** in any residence occupied by an **insured**.

This coverage also includes:

- a. window air conditioners;
- b. curtains, drapes and other window coverings, whether or not permanently installed; and
- c. outdoor equipment and yard fixtures not permanently installed.

2. Limitations on Specific Property. These special limits do not increase Coverage B limit. Each limit below is the total limit per occurrence for all property in that category:

- a. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum, coins, medals and numismatic property;
- b. \$1000 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, passports, tickets, stamps and other philatelic property;
- c. \$1000 on jewelry, watches, precious and semi-precious stones, gems and furs;
- d. \$1000 on watercraft including their trailers, equipment, accessories and outboard motors;
- e. \$1000 on camping trailers, camper bodies and trailers not used with watercraft;
- f. \$500 on **business** property of an **insured**, covered only while on the **insured premises**, used at any time or in any manner for any **business** purpose, not including electronic data processing equipment or the recording or storage software used with that equipment;
- g. \$5000 for loss by theft of silverware and goldware;
- h. \$5000 for loss by theft of firearms; or
- i. \$5000 on electronic data processing equipment and the recording or storage software used with such equipment while located on or temporarily off the **insured premises**. Recording or storage software will be covered only up to:
 - (1) the retail value of the software, if pre-programmed; or
 - (2) the retail value of the software in blank or unexposed form, if blank or self-programmed.

3. Personal Property Not Covered

Coverage B does not cover:

- a. property separately described or specifically insured by this policy or any other insurance;
- b. animals, insects, birds and fish;
- c. land motor vehicles, including motorized bicycle, motorized tricycle or similar type of equipment, whether assembled or unassembled, including their equipment and accessories. We do cover those motorized land conveyances designed for assisting the handicapped or used solely for the service of the **insured premises** and not licensed for road use;
- d. any type of aircraft, glider or balloon including their parts and equipment, whether assembled or unassembled.
We do cover model aircraft not used or designed for transporting cargo or persons;
- e. **business** property while away from the **insured premises**;
- f. property of roomers, boarders, tenants and other residents who are not an **insured**;
- g. property rented or held for rental to others when not on the **insured premises**;
- h. outdoor antennas or dish antennas, their lead-in wiring, accessories, masts and towers except as covered by Supplementary Coverages;
- i. trees, plants, shrubs and lawns, except as covered by Supplementary Coverages;
- j. any device, accessory or antenna designed for reproducing, detecting, receiving, transmitting, recording or playing back data, radar, sound or picture (or any film, tape, wire, record or other medium* designed for use with such device) which may be operated from the electrical system of a land motor vehicle, farm equipment or watercraft and while in or on the land motor vehicle, farm equipment or watercraft; or
- k. **credit cards** or fund transfer cards except as covered by Supplementary Coverages.

***Iowa Exception.** In Iowa, the words "in excess of one," are added.

COVERAGE C - LOSS OF USE OF YOUR MOBILE HOME

The limit for Coverage C is the total limit for all the following coverages:

1. If a loss covered under this Section makes that part of the **insured premises** where you reside uninhabitable, we will pay:
Additional Living Expense, meaning any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living. Payment will be for the shortest time required to repair or replace the damaged property or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

2. If a loss covered under this Section makes that part of the **insured premises** rented to others or held for rental by **you** uninhabitable, we will pay:
- Fair Rental Value**, meaning the fair rental value of that part of the **insured premises** rented to others or held for rental by **you** less any expenses that do not continue while the premises is uninhabitable.
- Payment will be for the shortest time required to repair or replace that part of the premises rented or held for rental.

3. If a civil authority prohibits **you** from use of the **insured premises** as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, we cover the Additional Living Expense or Fair Rental Value loss as provided above for a period not exceeding two weeks during which use is prohibited.
- The periods of time under 1, 2, and 3 above are not limited by expiration of this policy.
- We do not cover loss or expense due to cancellation of a lease or agreement.

SUPPLEMENTARY COVERAGES - SECTION I

We provide the following Supplementary Coverages.

1. Removal

- a. **Emergency Removal of Personal Property.** We will pay for loss to covered personal property while being removed or while removed from the **insured premises** because of danger from a Peril Insured Against. Such property is covered against direct loss from any cause for a period up to 30 days. This coverage does not increase the limit applying to the property being removed.
- b. **Emergency Removal of Mobile Home.** We will pay up to \$300 for the removal and return of the mobile home endangered by a peril insured against. We will also pay for loss to covered property while removed from the **insured premises** to prevent damage by perils insured against. Such property is covered against risks of accidental direct physical loss, unless the loss is excluded elsewhere in this policy for a period up to 30 days.
- c. **Automatic Removal.** If, during the term of this policy, the **insured** removes the mobile home covered by this policy from the location described on the declarations page to another location within the limits of the state shown in the declarations to be occupied as the **insured's** principal residence, coverage will apply for a period of 30 days from the date removal commences and will then cease.
2. **Debris Removal.** We will pay reasonable expenses **you** incur to remove debris of covered property following a loss from a peril we insure against.
- If the damage to that property and the cost of debris removal is more than our limit for the property, we will pay up to an additional 5% of that limit for debris removal. We will also pay up to \$500 in the aggregate for any one loss for reasonable expenses incurred by **you** in removing any fallen trees owned by **you** from the **insured premises** if:
- a. the tree damages a covered mobile home or building; and

- b. the falling of the tree is caused by any peril we insure against under Coverage B; and
- c. this coverage is not provided elsewhere in this policy.
- We do not cover debris removal of any trees:
- a. grown for **business** purposes; or
- b. located more than 250 feet from the mobile home on the **insured premises**.
- We do not cover removal of ash, dust, particulate matter or lava flow from outside of the mobile home.
3. **Fire Department Service Charge (Not applicable in Arizona).** We will pay up to \$500 for **your** liability assumed by contract or agreement for fire department charges incurred to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.
- This coverage is additional insurance.
- No deductible applies to this coverage.
4. **Credit Card, Fund Transfer Card, Forgery and Counterfeit Money.**
- a. We pay up to \$1000 for loss sustained by an **insured** when such **insured**:
- (1) becomes legally obligated to pay for the theft or unauthorized use of **credit cards** or fund transfer cards issued to or registered in any **insured's** name;
 - (2) suffers a loss through forgery or alteration of checks, drafts, certificates of deposit and notes including negotiable orders of withdrawal; or
 - (3) accepts in good faith counterfeit United States or Canadian paper currency.
- b. We do not pay for loss if:
- (1) the **insured** has not complied with the provisions under which the **credit card** or fund transfer card was issued;

- (2) the loss is caused by the dishonesty of an **insured**;
- (3) the loss results from **business** activities of an **insured**;
- or
- (4) the loss occurs while a person, not an **insured**, has possession of the **credit card** or fund transfer card with an **insured's** permission.

Repeated losses caused by one person or in which one person is implicated are to be considered one loss.

c. Defense:

- (1) **We** may make any investigation and settle any claim or suit that **we** decide is appropriate. **Our** obligation to defend any claim or suit ends when the amount **we** pay for the loss equals **our limit**.
- (2) If a suit is brought against any **insured** for liability under this **credit card** or fund transfer card coverage, **we** will provide a defense at **our** expense by counsel of **our** choice.
- (3) **We** have the option to defend at **our** expense any **insured** or any **insured's** bank against any suit for the enforcement of payment under the Forgery coverage.

This coverage is additional insurance.

No deductible applies to this coverage.

- 5. **Trees, Plants, Shrubs and Lawns.** **We** cover trees, plants, shrubs and lawns owned by **you** on the **insured premises**. **We** pay only for loss caused by the following perils: Fire, Lightning, Explosion, Riot, Civil Commotion, Aircraft, Vehicles not owned or operated by an occupant of the **insured premises**, Vandalism and Malicious Mischief, Theft or Collapse of a building or any part of a building. The **limit** for this coverage will not exceed 5% of the **limit** that applies to the mobile home for all trees, plants, shrubs and lawns nor more than \$500 for any one tree, plant, shrub or portion of lawn including the cost of removing the debris of the covered item.

- We** do not cover trees, plants, shrubs or portions of lawn:
 - a. grown for **business** purposes; or
 - b. located more than 250 feet from the mobile home on the **insured premises**.

This coverage is additional insurance.

- 6. **Outdoor Antennas.** **We** will pay up to \$1000 for direct loss by Perils Insured Against in Coverage B to outdoor antennas or dish antennas including their lead-in wiring, accessories, masts and towers.

This coverage is additional insurance.

- 7. **Protective Repairs.** **We** will pay the reasonable cost of necessary repairs made to protect covered property from further damage following a loss from a peril **we** insured against.

This coverage does not increase the **limit** applying to the property being repaired.

- 8. **Loss Assessments.** **We** will cover an amount up to \$1000 for **your** share of special loss assessments charged during the policy period and levied against **you** by a corporation or association of property owners in accordance with the governing rules of the association. This coverage only applies when the assessment is made as a result of each direct loss to the property, owned by all members collectively, caused by a Peril Insured Against under Section I of this policy. **We** do not cover loss caused by earthquake or land shock waves or tremors before, during or after a volcanic eruption.

This coverage applies only to loss assessments charged against **you** as owner or tenant of the **insured premises**. **We** do not cover loss assessments charged against **you** by any governmental body.

In the event of an assessment, this coverage is subject to all terms and conditions in this policy. This coverage is excess insurance over any insurance collectible under any policy or policies covering the association of property owners.

- 9. **Collapse.** **We** cover risk of direct physical loss to covered property involving collapse of a mobile home or a building or any part of a mobile home or a building caused only by one or more of the following:

- a. Perils Insured Against in Coverage B;
- b. hidden decay;
- c. hidden insect or vermin damage;
- d. weight of people, animals or property;
- e. weight of rain or snow which collects on a roof;
- f. use of defective material or methods in construction, reconstruction, renovation or remodeling if the collapse occurs during the course of the construction, reconstruction, renovation or remodeling.

Loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf, dock, outdoor equipment or a structure that is not a building is not included under items b, c, d, e and f unless the loss is a direct result of the collapse of a mobile home or a building. Collapse does not include settling, cracking, shrinking, bulging or expansion.

This coverage does not increase the **limit** applying to the damaged covered property.

- 10. **Consequential Loss.** **We** cover loss to covered personal property in the described mobile home caused by change of temperature resulting from physical damage to the mobile home or its equipment, by an insured peril.

This coverage does not increase the **limit** applying to the damaged covered property.

PERILS INSURED AGAINST - SECTION I

COVERAGE A - MOBILE HOME AND MOBILE HOME EXTENSION

We cover risks of accidental direct physical loss* to property described in Coverage A - Mobile Home and Mobile Home Extension, unless the loss is excluded elsewhere in this policy.

COVERAGE B - PERSONAL PROPERTY

We cover risks of accidental direct physical loss* to property described in Coverage B - Personal Property when caused by a peril listed below, unless the loss is excluded elsewhere in this policy:

1. **Fire or Lightning.**
2. **Windstorm or Hail.** This peril does not cover loss:
 - a. to the property contained in the mobile home or a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the mobile home or building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening; or
 - b. to watercraft and their trailers, furnishings, equipment and outboard motors unless inside a fully enclosed building.
3. **Explosion.**
4. **Riot or Civil Commotion.**
5. **Aircraft,** including self-propelled missiles and spacecraft.
6. **Vehicles.** We do not cover damage caused by vehicles:
 - a. owned or operated by a transporter of the mobile home; or
 - b. while the mobile home is on a public or private road.
7. **Smoke,** if the loss is sudden and accidental. We do not cover loss caused by smoke from agricultural smudging or industrial operations.
8. **Vandalism and Malicious Mischief,** meaning only willful or malicious damage or destruction of property.
9. **Theft,** including damage from attempted theft, and loss of property from a known place only when it is likely that a theft occurred. This peril does not cover:
 - (1) theft committed by an insured or by any other person regularly residing on the insured premises;
 - (2) theft in or from a structure while under construction, or of materials and supplies for use in the construction, until completed and occupied;
 - (3) loss of a precious or semi-precious stone from its setting;
 - (4) theft from that part of the insured premises while rented by you to other than an insured;

*Minnesota Exception: In Minnesota, the words "risks of accidental direct physical loss" are changed to read "all loss or damage."

- (5) theft from premises which are vacant for more than 30 consecutive days immediately before the loss;
- (6) swindling, fraud, trick or false pretense; or
- (7) loss resulting from the theft of any credit card, fund transfer card or similar device except as provided under Supplementary Coverages.

b. We do not cover theft occurring away from the insured premises of:

- (1) outboard motors, watercraft, and their equipment and accessories;
- (2) trailers, campers and camper bodies; or
- (3) other property while on the part of any other residential type premises owned, rented or occupied by an insured, except while any insured is living there temporarily. Property of a full-time student, who is an insured, is covered while at a residence occupied by the student while away at school.

10. **Breakage of Glass,** meaning damage to personal property caused by breakage of glass constituting a part of the mobile home or any building on the insured premises, but excluding loss or damage to the glass.
11. **Falling Objects.** This peril does not cover loss to:
 - a. the property inside the mobile home or a building, unless the falling object first damages the outside of the mobile home or building;
 - b. outdoor equipment and yard fixtures not permanently installed; or
 - c. the object which falls.
12. **Weight of Ice, Snow or Sleet,** which causes physical damage to personal property inside the mobile home or a building.
13. **Sudden and Accidental Tearing Apart, Bursting or Bulging** of a heating, air-conditioning or automatic fire protection sprinkler system or a water heater. This peril does not cover loss by freezing.
14. **Accidental Discharge or Overflow of Water or Steam** from a plumbing, heating, air-conditioning or automatic fire protection sprinkler system or household appliance. (Gutters and downspouts are not part of a plumbing system.) This peril does not cover loss:
 - a. caused by continuous or repeated seepage or leakage which occurs over a period of weeks, months or years;
 - b. caused by or resulting from freezing;
 - c. on the insured premises caused by accidental discharge or overflow which occurs away from the insured premises;
 - d. to the system or appliance from which the water or steam escaped; or

e. caused by or resulting from water which backs up through sewers or drains or water which enters into and overflows from within a sump pump, sump pump well or other type system designed to remove subsurface water which is drained from the foundation area.

15. **Freezing** of a plumbing, heating, air-conditioning or automatic fire protection sprinkler system or household appliance.

This peril does not cover loss on the **insured premises** while the residence is **vacant**, unoccupied (including temporary absence) or is under construction and unoccupied. However, this exclusion does not apply if **you** have taken precaution to:

- a. maintain heat in the mobile home; or
- b. shut off the water supply and drain the system and household appliances of water.

LOSSES NOT INSURED - MOBILE HOME AND MOBILE HOME EXTENSION

We do not insure for loss to the property described in Coverage A - Mobile Home and Mobile Home Extension resulting directly or indirectly from or caused by one or more of the following:

1. Losses excluded under **EXCLUSIONS - SECTION I**.
2. **Theft** in or to a structure under construction, or of materials and supplies for use in the construction, until completed and occupied.
3. **Vandalism and Malicious Mischief** or breakage of glass and safety glazing if the mobile home has been **vacant** for more than 30 consecutive days immediately preceding the loss. A building under construction is not considered **vacant**.
4. **Continuous or Repeated Seepage** or leakage of water or steam from within a plumbing, heating, air-conditioning or automatic fire protection sprinkler system or from within a household appliance which occurs over a period of weeks, months or years.
5. **Freezing** of a plumbing, heating, air-conditioning or automatic fire protection sprinkler system or household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing while the residence is **vacant** or unoccupied unless **you** have taken precaution to:
 - a. maintain heat in the mobile home; or
 - b. shut off the water supply and drain the system and appliances of water.
6. **Freezing, Thawing, Pressure or Weight of Water or Ice**, whether driven by wind or not, to a fence, pavement, patio, outdoor swimming pool, outdoor sauna, outdoor whirlpool or hot tub, foundation, retaining wall, bulkhead, pier, wharf or dock.
7. **Collapse**, other than as provided in Supplementary Coverage 9 Collapse.

16. **Sudden and Accidental Damage from Artificially Generated Electrical Currents.**

This peril does not cover loss to:

- a. tubes, transistors or other similar electronic components; or
- b. accidental erase or loss of recorded data or electric instructions in a computer system.

17. **Volcanic Eruption** other than loss caused by earthquake, land shock waves or tremors.

We will also pay for the cost to remove the ash, dust or particulate matter which has caused direct loss to property contained in the mobile home.

All volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption:

8.
 - a. wear and tear, marring, scratching, deterioration;
 - b. inherent vice, latent or inherent defect, mechanical breakdown;
 - c. smog, rust, frost, condensation, mold, wet or dry rot;
 - d. smoke from agricultural smudging or industrial operations;
 - e. release, discharge or dispersal of contaminants or pollutants;
 - f. settling, cracking, shrinking, bulging, or expansion of pavements, patios, foundations, walls, floors, roofs or ceilings;
 - g. birds, vermin, rodents, insects or domestic animals.If any of these cause water or steam to escape from a plumbing, heating, air-conditioning or automatic fire protection sprinkler system or household appliance, **we** cover loss caused by the water or steam. **We** also cover the cost of tearing out and replacing any part of a mobile home or a building necessary to repair the system or appliance.

We do not cover loss to the system or appliance from which this water or steam escaped.

We do cover any ensuing loss from items 2 through 8 above, if not otherwise excluded in this policy.

9. **In Transit**, meaning loss to the mobile home from any Peril Insured Against, except fire, while it is being moved.
10. **Damage to Tires and Wheels**, unless damaged by fire, malicious mischief or vandalism, or stolen while attached to or from inside the mobile home or within a fully enclosed structure on the **insured premises**, or unless such loss is coincident with and from the same cause as other loss covered by this policy.

EXCLUSIONS - SECTION I

We do not insure for loss caused directly or indirectly 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. ***Ordinance or Law**, meaning enforcement of any ordinance or law regulating the construction, repair or demolition of the mobile home or other structure, unless specifically provided under this policy. We will cover loss caused by actions of civil authorities to prevent the spread of a fire caused by an insured peril.

2. **Earth Movement**, meaning earthquake, including land shock waves or tremors before, during or after a volcanic eruption; landslide; mudflow; earth sinking, rising or shifting. This exclusion applies whether or not the earth movement is combined with water or rain.

We do cover direct loss that follows caused by Fire, Explosion, Breakage of Glass or Theft.

3. **Water Damage**, meaning:

a. flood, surface water, waves, tidal water or overflow of a body of water from any cause. We do not cover spray from any of these, whether or not driven by wind;

b. water from any source which backs up through sewers or drains, or water which enters into and overflows from within a sump pump, sump pump well or other type system designed to remove subsurface water which is drained from the foundation area; or

c. regardless of its source, water below the surface of the ground. This includes water which exerts pressure on or flows, seeps or leaks through any part of the mobile home or other structure, sidewalk, driveway or swimming pool.

We do cover direct loss that follows caused by Theft, Fire or Explosion.

***Wisconsin Exception.** If the residence of the named insured as stated in the declarations is in Wisconsin, Exclusion 1 **Ordinance or Law** is deleted with respect to owner occupied mobile homes covered by this insurance, when taxed as real property.

4. **Power Failure**, meaning the failure of power or other utility service if the failure takes place away from the insured premises. If a Peril Insured Against ensues on the insured premises, we will pay only for loss caused by that peril.

5. **Neglect** of an insured to use all reasonable means to protect covered property at and after the time of loss.

6. **War** (declared or undeclared), civil war, insurrection, rebellion, revolution or discharge of a nuclear weapon or device, even if accidental.

7. **Nuclear Hazard**, meaning nuclear reaction, radiation, radioactive contamination or any consequence of any of these. Loss caused by nuclear hazard is not considered loss by perils of Fire, Explosion or Smoke. Direct loss by fire resulting from nuclear hazard is covered.

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

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

10. **Planning, Construction or Maintenance**, meaning faulty, inadequate or defective:

a. construction, reconstruction, repair, remodeling or renovation;

b. materials used in construction, reconstruction, repair, remodeling or renovation;

c. design, workmanship or specifications;

d. siting, surveying, zoning, planning, development, grading or compaction; or

e. maintenance;

of part or all of the insured premises or any other property.

11. **Weather Conditions** which contribute in any way with a cause or event excluded above to produce the loss.

We do cover any ensuing loss from exclusions 9 through 11 above unless the ensuing loss is itself a loss not insured by this policy.

12. **Conversion, Embezzlement or Concealment** by the selling dealer or by any person in lawful possession of the mobile home.

CONDITIONS - SECTION I

1. **Loss Deductible.** We will pay only that part of a covered loss over any deductible which applies.
 2. **Insurable Interest and Our Liability.** In the event of a covered loss, we will not pay for more than the insurable interest an insured has in the covered property, nor more than the amount of coverage afforded by this policy in any one loss.
 3. **What You Must Do in Case of Loss.** In the event of a loss to property that this insurance may cover, you must:
 - a. give notice as soon as reasonably possible to us or our agent. Report any theft to the police immediately. If the loss involves a credit card or fund transfer card, written notice must also be given to the company that issued the card;
 - b. protect the property from further damage, make reasonable and necessary repairs to protect the property and keep records of the cost of these repairs;
 - c. promptly separate the damaged and undamaged personal property. Give us a detailed list of the damaged property, showing the quantities, when and where acquired, original cost, current value and the amount of loss claimed;
 - d. as often as we reasonably require:
 - (1) show us the damaged property before permanent repairs or replacement is made;
 - * (2) provide us with records and documents we request and permit us to make copies; and
 - * (3) let us record your statements and submit to examinations under oath by any person named by us and sign the transcript of the examination.
 - e. submit to us, within 60 days after we request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - (1) the date, time, location and cause of loss;
 - (2) the interest you and others have in the property, including any encumbrances;
 - (3) the actual cash value and amount of loss of each item damaged or destroyed;
 - (4) other insurance that may cover the loss;
 - (5) changes in title, use, occupancy or possession of the property during the policy period;
 - (6) the plans and specifications of any damaged mobile home or structure we may request;
 - (7) detailed estimates for repair of the damage;
 - (8) receipts for any increased costs to maintain your standard of living while you reside elsewhere, and records pertaining to any loss of rental income; and
 - (9) evidence supporting a claim under the Credit Card, Fund Transfer Card, Forgery and Counterfeit Money protection. This should state the cause and amount of loss.
 4. **Loss Value Determination.**
 - a. We will pay the smallest of:
 - (1) the actual cash value of the damaged property at the time of loss;
 - (2) the cost of repairing the damage;
 - (3) replacing the damaged property with property of like description, condition, quality and value, but not necessarily of the same manufacturer;
 - (4) the difference between the actual cash value of the insured property immediately before and after the loss; or
 - (5) the limit applying to the property.
 - b. In any loss involving part of a series of pieces or panels (whether interior or exterior), our liability is limited to:
 - (1) the reasonable cost of repairing or replacing the damaged part so as to match the remainder as closely as reasonably possible under the circumstances; or
 - (2) the reasonable cost of an acceptable alternative decorative effect or utilization, as the circumstances may warrant. However, we do not guarantee the availability of replacements and will not, in the event of damage to or loss of a part, be obligated to pay for, or repair or replace, the entire series of pieces or panels.
- *Minnesota Exception.** In Minnesota, Condition 3 What You Must Do in Case of Loss, paragraphs d(2) and (3) are amended to read:
- (2) provide us with records and documents reasonably related to the loss, or certified copies if the originals are lost, and permit us to make copies; and
 - (3) submit to examination under oath and subscribe the same, within a reasonable time of our request, after having been informed:
 - (a) of your right to counsel; and
 - (b) that your answers may be used against you in later civil or criminal proceedings.
- †Arizona and Kansas Exception:** In Arizona and Kansas, the term "Actual Cash Value" as used in this policy means: The amount which it would cost to repair or replace covered property with material of like kind and quality, less allowance for physical deterioration and depreciation, including obsolescence.

5. **Our Settlement Options.**

In the event of a covered loss, we have the option* to:

- make a cash settlement for all or part of the damaged property; or
- pay the cost to repair, rebuild or replace all or the necessary part(s) of the damaged, destroyed or stolen property with like property, as of the time of loss, less an allowance for depreciation when replacement cost coverage doesn't apply.

We may take the salvage of all or any part of the covered property at its agreed or appraised value. Property paid for or replaced by us becomes ours, if we choose.

If we give you notice within 30 days after we receive an acceptable proof of loss, we may repair or replace any part of the damaged property with like property.

***Missouri Exception.** In Missouri, Condition 5 **Our Settlement Options**, is amended by adding the following paragraph with respect to partial loss caused by the peril of Fire.

In the event of partial loss to covered property, at your option we will pay you, up to the limit of this policy, the actual cost of the damage or repair the damage, so that your property is returned to the same condition it was prior to the fire.

6. **Appraisal.** If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent appraiser within 20 days after receiving a written request from the other.* The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the insured premises is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree within a reasonable time, they will submit their differences to the umpire. Written agreement signed by any two of these three will set the amount of the loss. Each appraiser will be paid by the party selecting

that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by you and us.

***Minnesota Exception.** In Minnesota, Condition 6 **Appraisal** is amended by adding the following sentence: If either party fails to select an appraiser within 20 days, the other party may, upon 5 days written notice to the failing party, make application to have a presiding judge of the district court of the county in which the loss has occurred appoint an appraiser for the failing party.

7. **Abandoned Property.** You may not abandon property to us unless we specifically agree to it.

8. **Loss to a Pair or Set.** We may repair or replace any part of the pair or set to restore it to its value before the loss, or we may pay the difference between the actual cash value of the property before and after the loss.

9. **Loss Payment.** We will adjust all losses with you. We will pay you unless some other party is named in the policy and is legally entitled to receive payment. Loss will be payable 60 days (30 days in Wisconsin) after we receive your proof of loss and:

- we reach agreement with you;
- there is an entry of a final judgment; or
- there is a filing of an appraisal award with us.

10. **Suit Against Us.** We may not be sued unless there is full compliance with all the terms of this policy. Suit must be brought within one year* after the loss or damage occurs.†

***Minnesota Exception.** In Minnesota, Condition 10 is amended by substituting the words "two years" for the words "one year."

***North Dakota Exception.** In North Dakota, Condition 10 is amended by substituting the words "three years" for the words "one year."

***Kansas Exception.** In Kansas, Condition 10 is amended by substituting the words "five years" for the words "one year."

†Illinois Exception. In Illinois, Condition 10 is amended by adding the sentence:

However, this one year period is extended by the number of days between the date proof of loss is submitted and the date the claim is denied in whole or in part.

11. **No Benefit to Bailee.** This insurance will not, in any way, benefit any person or organization who may be caring for or handling property for a fee.
12. **Permission Granted to You.** You may make alterations, additions and repairs to your building and complete structures under construction. The insured premises may be vacant or unoccupied without limit of time, except where this policy specifies otherwise.
13. **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.
14. **Glass Replacement.** Damage to glass caused by a Peril Insured Against will be settled on the basis of replacement with safety glazing when required by law.
15. **Lienholder's Interest.** The lienholder is the person or business that loaned you money on your mobile home. If a lienholder is named in the declarations, any loss will be paid to you and the lienholder as your and their interests may appear. You or the lienholder must let us know of any change of ownership or any increase in hazard. You must pay any required increase in premium.

If the lienholder pays the premium due, a change in the title or ownership of your mobile home will not impair the lienholder's interest in this policy.

The lienholder's interest will not be impaired by your negligent acts.

16. **Occupancy Clause.** It is a condition of this policy that if the described mobile home is located near farming operations:
 - a. the agricultural products produced on the land are incidental to the occupancy of the mobile home and are principally for home consumption; or
 - b. the occupants of the mobile home are not engaged in the operation of the farm and the mobile home is not exposed within 200 feet by any farm building.
17. **Recovered Property.** If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the claim payment, or any lesser amount to which we agree, must be refunded to us.
18. **Territorial Limits.** We cover the insured property only on the premises described in the declarations except as provided in Coverage B - Personal Property and in Supplementary Coverages - Section I.

LIABILITY COVERAGES - SECTION II

COVERAGE D - PERSONAL LIABILITY COVERAGE

We will pay, up to our limit, compensatory damages for which any insured is legally liable because of **bodily injury** or **property damage** caused by an **occurrence** covered by this policy. We will defend any suit, even if the suit is groundless, false or fraudulent, provided the suit resulted from **bodily injury** or **property damage** not excluded under this coverage.

We will defend any suit or settle any claim for damages payable under this policy as we think proper.

PLEASE NOTE

Our obligation to defend any claim or suit ends when the amount we have offered or paid for damages resulting from the **occurrence** equals our **limit**.

COVERAGE E - MEDICAL EXPENSE COVERAGE

We will pay the necessary **medical expenses** which are incurred or medically ascertained within three years from the date of an accident causing **bodily injury** covered by this policy. This coverage applies only:

1. to a person on the **insured premises** with the permission of any **insured**; or
2. to a person away from the **insured premises** if the **bodily injury**:
 - a. arises out of a condition on the **insured premises**;
 - b. is caused by the activities of any **insured**;
 - c. is caused by a person while performing duties as a **domestic employee** of any **insured**;
 - d. is caused by an animal owned by or in the care of any **insured**; or
 - e. is suffered by a **domestic employee** in the course of employment by any **insured**.

SUPPLEMENTARY COVERAGES - SECTION II

We will pay the following in addition to the limits.

1. **Damage to Property of Others.** We will pay up to \$500 per occurrence for property damage to property of others caused by any insured, even if not negligent or legally liable.

We will not pay for property damage:

- a. to the extent of any amount recoverable under Section I of this policy;
- b. caused intentionally by any insured who has attained the age of 13;
- c. to property owned by any insured;
- d. to property owned by or rented to a tenant of any insured or a resident in your household; or
- e. resulting from:

- (1) business pursuits;
- (2) any act or omission in connection with premises owned, rented or controlled by any insured, other than an insured premises; or
- (3) the ownership, maintenance or use of a land motor vehicle, aircraft or watercraft.

This exclusion does not apply to a motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and not owned by an insured.

2. **Claim and Defense Expenses.** We will pay the following expenses incurred in a suit defended by us under the Personal Liability Coverage:

- a. costs taxed to the insured;
- b. expenses incurred by us;
- c. reasonable expenses incurred by an insured at our request. This includes actual loss of earnings (but not loss of other income) up to \$50 per day for aiding us in the investigation or defense of claims or suits;
- d. interest accruing after entry of a judgment but ending when we tender or pay up to the applicable limit;
- e. prejudgment interest awarded against an insured on the part of the judgement that we are obligated to pay. However, we will not pay any such interest which accrues after such time that we make an offer to pay our limit;

f. premiums on appeal and attachment bonds required in any suit we defend. However, we will not pay the premium for attachment bonds in an amount that is more than our limit. We have no obligation to apply for or furnish bonds.

3. **Emergency First Aid.** We will pay reasonable expenses incurred by an insured for first aid to persons, other than insureds, at the time of the accident, for bodily harm covered under this policy.

4. **Loss Assessments.** We will cover an amount up to \$1000 for your share of special loss assessments charged during the policy period and levied against you by a corporation or association of property owners in accordance with the governing rules of the association, when the assessment is made as a result of:

- a. each occurrence to which Section II of this policy would apply;
- b. damages which the association may be obligated to pay because of any personal injury arising out of false arrest, false imprisonment, wrongful eviction, wrongful entry, wrongful detention, malicious prosecution, misrepresentation, humiliation, discrimination because of age, race, creed, sex, color, religion or national origin (unless coverage is not allowed by law, but only with respect to liability other than fines and penalties imposed by law), libel, slander, defamation of character or invasion of rights of privacy.

This coverage applies only to loss assessments charged against you as owner or tenant of the insured premises. We do not cover loss assessments charged against you by any governmental body.

Section II - Coverage D - Personal Liability Exclusion 2a(1) does not apply to this coverage.

In the event of an assessment, this coverage is subject to all terms and conditions in this policy. This coverage is excess insurance over any insurance collectible under any policy or policies covering the association of property owners.

EXCLUSIONS - SECTION II

Coverage D - Personal Liability and Coverage E - Medical Expense do not apply to **bodily injury** or **property damage**:

a. which is expected or intended by any **insured**; arising out of **business** pursuits of any **insured** or the rental or holding for rental of any part of any premises by an **insured**, except:

(1) activities which are usual to non-**business** pursuits;

(2) the rental or holding for rental of an **insured premise**:

(a) on an occasional basis if used only as a residence;

(b) in part, for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or

(c) in part, as an office, school, studio or private garage;

(3) the additional premises of a one or two family dwelling when specifically insured under Option 7 Additional Premises Coverage; or

(4) the occasional or part-time **business** activities of any self-employed **insured** under 19 years of age;

Exclusion b does not apply to **bodily injury** to any **domestic employee** arising out of and in the course of employment by an **insured**;

c. arising out of the ownership of or rental to any **insured** of any premises, other than an **insured premise**. Exclusion c does not apply to **bodily injury** to any **domestic employee** arising out of and in the course of employment by an **insured**;

d. arising out of rendering or failing to render professional services;

e. arising out of any act or omission of any **insured** as an officer or member of the board of directors of any corporation or other organization, except the acts of an unpaid volunteer director, officer or trustee of a religious, charitable or civic non-profit organization;

f. arising out of the ownership, entrustment, maintenance, operation, use, loading or unloading of:

(1) any type of aircraft, glider or balloon, and their facilities. **We** do cover model aircraft not used or designed for transporting cargo or persons;

(2) any type of motor vehicle, motorized land conveyance or trailer, except:

We will provide specific coverage on only the following types owned or operated by or rented or loaned to an **insured**:

(a) a motor vehicle or motorized land conveyance which is not subject to motor vehicle registration and is:

• used for the service of the **insured** residence;

• designed to assist the handicapped; or

• kept in dead storage on the **insured premises**;

(b) a motorized golf cart while used for golfing purposes on a golf course;

(c) a motorized land conveyance including a motorized bicycle, tricycle or similar type of equipment designed principally for recreational use off public roads, which is not subject to motor vehicle registration and is:

• not owned or leased by an **insured**; or

• owned or leased by an **insured** and while on the **insured premises**;

(d) a trailer of the boat, camp, home or utility type when not attached to or towed by or carried on a motor vehicle or motorized land conveyance;

(3) a watercraft:

(a) with inboard or inboard-outdrive motor power owned by any **insured**; or

(b) with inboard or inboard-outdrive motor power of more than 50 horsepower rented to any **insured**; or

(c) that is a sailing vessel, with or without auxiliary power, 26 feet or more in length owned by or rented to any **insured**; or

* (d) powered by one or more outboard motors with more than 25 total horsepower, owned by any **insured** at the inception of this policy. If you write to us within 45 days after acquisition, and request us to insure any outboard motors acquired during the policy period, coverage will apply; or

***Wisconsin Exception.** If the residence of the named **insured** as stated in the declarations is in Wisconsin, Exclusion f(3) (d) is deleted.

(4) an iceboat, airboat, air cushion or similar type of craft;

Exclusion f (3) and (4) do not apply while such crafts are stored on the **insured premises**.

Exclusion f also does not apply to **bodily injury** to any **domestic employee** arising out of and in the course of employment by an **insured**;

g. arising out of the vicarious parental liability imposed by law for the actions of a child or minor regarding any type of conveyance indicated in exclusion f;

h. caused directly or indirectly by war, including undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose and including any consequence of any of these. Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

i. to any **insured** within the meaning of 6a of the definition of **insured**, or any employee of any **insured** other than a **domestic employee**;

j. arising out of the **insured's** knowingly permitting or failing to take action to prevent the illegal consumption of alcohol beverages by an underage person on premises owned by the **insured** or under the **insured's** control;

k. arising out of or resulting from any actual or alleged sexual abuse or molestation of a person by an **insured**; or
l. which arises out of the transmission of a communicable disease by an **insured**.

2. **Coverage D - Personal Liability** does not apply to:

a. personal liability:

(1) for **your** share of any loss assessment charged against all members of a corporation or association of property owners;

(2) under any other contract or agreement except those written contracts directly relating to the maintenance of the **insured premises** not excluded in (1) above or elsewhere in this policy;

b. **property damage** to property owned by any **insured**;

c. **property damage** to property rented to, occupied or used by or in the care of any **insured**. This exclusion does not apply to **property damage** caused by fire, smoke or explosion;

d. **bodily injury** to any person eligible to receive any benefits required by statute or voluntarily provided by any **insured** under any workers compensation, non-occupational disability or occupational disease law;

e. **bodily injury or property damage** for which any **insured** under this policy is also an **insured** under a nuclear energy liability policy or would be an **insured** but for its termination upon exhaustion of its **limit**.

A nuclear energy liability policy is a policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors; or
f. punitive or exemplary damages.

3. **Coverage E - Medical Expense** does not apply to **bodily injury**:

a. to a **domestic employee** if it occurs off the **insured premises** and does not arise out of or in the course of the **domestic employee's** employment by any **insured**;

b. to any person eligible for benefits required by statute or voluntarily provided under any workers compensation, non-occupational disability or occupational disease law;

c. from any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these; or

d. to any **insured** or other person, other than a **domestic employee**, regularly residing on any part of the **insured premises**.

CONDITIONS - SECTION II

1. **Limit of Liability.** Regardless of the number of insureds, claims made or persons injured, **our** total liability under Coverage D for all damages resulting from any one **occurrence** will not exceed the Coverage D **limit** stated in the declarations.
Our total liability under Coverage E for all **medical expenses** payable for **bodily injury** to one person as the result of one accident will not exceed the Coverage E **limit** stated in the declarations.
2. **Severability of Insurance.** This insurance applies separately to each **insured**. This condition will not increase **our** limit for any one **occurrence**.
3. **What Must be Done in Case of Loss.** In the event of an accident or **occurrence** which this insurance may cover, **you** must:
 - a. give prompt notice to **us** or **our** agent, including:
 - (1) the identity of the policy and **insured**;
 - (2) the time, place and circumstances of the accident or **occurrence**;
 - (3) names and addresses of any claimants and witnesses; and
 - (4) submit to recorded or written statements, if **we** request.
 - b. promptly forward to **us** any notice, demand and legal paper relating to the accident or **occurrence**;
 - c. at **our** request, assist **us** in:
 - (1) making settlement;
 - (2) enforcing any right of contribution or indemnity against any person or organization who may be liable to any **insured**; and
 - (3) any matter relating to a claim or suit;

d. under the Damage to Property of Others protection, give **us** a sworn statement of the loss. This must be made within 60 days after the loss. Also, be prepared to show **us** any damaged property under an **insured's** control. The **insured** will not, except at the **insured's** own cost, voluntarily make any payment, nor assume any obligation or expense except for Emergency First Aid.

4. **Duties of an Injured Person - Coverage E - Medical Expense.** The injured person or someone acting for the injured person will:

- a. give **us** prompt written proof of claim, under oath if required;
- b. authorize **us** to obtain copies of medical reports and records; and
- c. permit doctors **we** select to perform an independent physical examination of the injured person when **we** may reasonably require.

5. **Payment of Claim - Coverage E - Medical Expense.** Payment under this coverage is not an admission of liability by any **insured** or **us**.

6. **Suit Against Us.** **We** may not be sued unless there is full compliance with all the terms of this policy. Any person, organization or their legal representative who has secured a judgment against the **insured** will be entitled to recover under this policy to the extent of the insurance afforded by this policy.

7. **Bankruptcy of any Insured.** Bankruptcy or insolvency of any **insured** will not relieve **us** of **our** obligations under this policy.

8. **Other Insurance - Coverage D - Personal Liability.** This insurance is excess over any other collectible insurance. However, if the other insurance is specifically written as umbrella or excess insurance over this policy, the limits of this policy apply first.

GENERAL CONDITIONS

Unless otherwise noted, the following conditions apply to all sections of this policy.

1. **Policy Period - Renewal of Coverage.** Insurance begins and ends at 12:01 A.M. Standard Time at the location of the property described and on the dates shown in the declarations. This policy may be continued for successive

policy periods by payment of the required premium on or before the effective date of each renewal period. If the premium is not paid when due, this policy expires at the end of the last policy period for which the premium was paid.

The premium for each policy period will be based on **our** current manuals.

If this policy form or any endorsement attached is revised, we may substitute or add, at any anniversary date, forms or endorsements which are authorized for use on this policy in accordance with our manual rules in effect at the time. As to only the interest of a lienholder (or trustee) shown in the declarations, this insurance will terminate only if we give such lienholder (or trustee) at least 10 days written notice of termination.

If this policy replaces coverage in other policies terminating at 12:00 Noon Standard Time on the inception date of this policy, this policy will be effective at 12:00 Noon Standard Time instead of at 12:01 A.M. Standard Time.

2. **Concealment or Fraud.** This entire policy is void if, before or after a loss, any insured has willfully with intent to defraud, concealed or misrepresented:

- a. any material fact or circumstance concerning this insurance; or
- b. any insured's interest.

3. **Liberalization Clause.** Forms or endorsements may be revised during the policy period. If we adopt an endorsement which would broaden the coverage under this policy without additional premium during the policy period, the broadened coverage will immediately apply to this policy.

4. **Waiver or Change of Policy Provisions.** A provision of this policy is waived or changed only if we put it in writing. Our request for appraisal or examination does not waive our rights.

5. **Cancellation (Not Applicable in Illinois or North Dakota).**

a. You may cancel this policy at any time by returning it to us. You may also cancel this policy by writing to us and advising us of the current or future date when you want to have it canceled.

b. We may cancel this policy by notifying you in writing of the date cancellation takes effect. The delivery of this cancellation notice will be subject to the laws of the state where this policy is issued. Cancellation by us may only be for the following reasons:

- (1) When you have not paid the premium, whether payable to us or to our agent or under any finance or credit plan, we may cancel at any time by notifying you at least 10 (20 days in South Dakota) (30 days in Iowa) days before the date cancellation takes effect.
- (2) 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 other than nonpayment by notifying you at least 30 days before the date cancellation takes effect.

* (3) 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 if there has been a material misrepresentation of fact which, if known to us, would have caused us not to issue the policy or if the risk has changed substantially since the policy was issued. This can be done by notifying you at least 30 days before the date cancellation takes effect.

* (4) When this policy is written for a period longer than one year, we may cancel for any reason at anniversary by notifying you at least 30 days before the date cancellation takes effect.

c. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

d. 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.

* **Minnesota Exception.** In Minnesota, the paragraphs (3) and (4) are deleted and the following substituted:

(3) 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 for one or more of the following reasons and then only by mailing or delivering to you written notice stating when, not less than 60 days thereafter, such cancellation will be effective:

- (a) Misrepresentation or fraud made by or with your knowledge in obtaining the policy or in pursuing a claim thereunder;
- (b) An act or omission by you which materially increases the risk originally accepted;
- (c) Physical changes in the insured property which are not corrected or restored within a reasonable time after they occur and which result in the property becoming uninsurable.

6. **Non-Renewal (Not Applicable in Illinois or North Dakota).**

We may elect not to renew this policy. We may do so by delivery to you, or mailing to you at your mailing address shown in the declarations, written notice at least 30 (60 days in Minnesota and Wisconsin) days before the expiration date of this policy.

The reasons for non-renewal and delivery of this termination notice will be subject to the laws of the state where this policy is issued.

7. **Assignment.** Assignment of this policy will not be valid unless we give our written consent.

8. **Subrogation.** An **insured** may waive in writing before a loss all rights of recovery against any person. If not waived, **we** may require an assignment of rights of recovery for a loss to the extent that payment is made by **us**. If an assignment is sought, an **insured** must sign and deliver all related papers and cooperate with **us**.
Where prohibited by law, subrogation does not apply under Section II to Medical Expense Coverage or Damage to Property of Others.
***Wisconsin Exception.** In Wisconsin, General Condition 8 **Subrogation** is amended by adding the following sentence: **Our right to recover will apply only after you have been fully compensated for the loss.**
9. **Cooperation.** **You** must cooperate with **us** in performing all acts required by this policy.
10. **Special Wisconsin Provision - Knowledge and Acts of Agents.** In Wisconsin, knowledge by our agent of any fact which breaches a condition of this policy will be knowledge to **us** if such fact is known by the agent at the time the policy is issued or an application made or thereafter becomes known to the agent. Any fact which breaches a condition of this policy and is known to the agent prior to loss will not void this policy or defeat a recovery in the event of loss.

11. **Special Indiana Provision - Notice to Agent.** In Indiana, your notice to our agent will be deemed to be notice to **us**.
12. **Inspection.** **We** are permitted but not obligated to inspect your property and operations. **Our** inspection or any resulting advice or report does not warrant that your property or operations are safe or healthful or are in compliance with any law, rule or regulation.
13. **Conformity to Statute.** If any part of the policy is contrary to a statute in your state, we agree to alter that part of our policy and make it conform with the statute. However, all other parts of this policy will remain in force and unaltered.
14. **Membership, Voting, Annual Meeting and Participation.** **You** are a member of the American Family Mutual Insurance Company of Madison, Wisconsin, and are entitled to one vote either in person or by proxy at its meetings. The Annual Meetings are held at its Home Office in Madison, Wisconsin, on the first Tuesday of March at 2:00 P.M. Notice printed in this policy will be your notification of the time and place. If any dividends are distributed, you will share in them according to law and under conditions set by the Board of Directors.
15. **Policy Non-Assessable.** This policy is non-assessable.

ADDITIONAL PROTECTION YOU MAY BUY

Each option you choose will be identified in the declarations.

Option 1 - EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE. We will cover direct loss caused by Earthquake or Volcanic Eruption to property described in Coverage A - Mobile Home and Mobile Home Extension and Coverage B - Personal Property and covered by this policy. This Volcanic Eruption Coverage replaces the peril Volcanic Eruption.

1. One or more earthquake shocks that occur within a seventy-two hour period will constitute a single earthquake.
2. The following is the only deductible that applies to each loss caused by earthquake:
We will pay only that part of the loss over _____ percent (shown in the declarations) of the total amount of insurance that applies. This deductible will apply separately to loss under Coverage A - Mobile Home and Mobile Home Extension and Coverage B - Personal Property. This deductible amount will not be less than \$250 in any one loss.
3. One or more volcanic eruptions that occur within a seventy-two hour period will constitute a single volcanic eruption.
4. The policy deductible applies to each loss caused by volcanic eruption.

SPECIAL EXCLUSION

We do not cover loss resulting directly or indirectly from flood of any nature or tidal wave, whether caused by, resulting from, contributed to or aggravated by earthquake or volcanic eruption. This coverage does not increase the **limits** stated in this policy.

Option 2 - EXTENDED COVERAGE ON JEWELRY, WATCHES AND FURS.

- Jewelry, watches, precious and semi-precious stones, gems and furs will be insured for risks of direct physical loss or damage, subject to the following additional exclusions and limitations:
1. the insurance provided by this coverage applies instead of and not in addition to that provided in Coverage B - Personal Property;
 2. **our limit** for any covered loss will be \$1000 on any one article, \$2500 in the aggregate;
 3. **we** do not cover loss or damage caused by mechanical or electrical breakdown, wear and tear, gradual deterioration, insects, vermin or inherent vice;
 4. if any property covered consists of several parts, **we** will only be liable for the value of the part lost or damaged.
- Any deductible shown in the declarations also applies to loss under this coverage.

Option 3 - CHILD CARE BY AN INSURED. (Applies only to the described premises.)

The Section II Coverages are extended to cover an **insured** who provides child care.

The definition of **insured premises** is amended to include that part of the premises occupied for child care.

Exclusion 1b for Coverage D - Personal Liability and Coverage E - Medical Expense is amended to add:

- (5) child care service regularly provided by an **insured** on the **insured premises** for which an **insured** receives monetary or other compensation.

This coverage does not apply to:

- * (a) **bodily injury** or **property damage** arising out of sexual molestation, corporal punishment or physical or mental abuse inflicted upon any person by or at the direction of an **insured**;
- (b) to **bodily injury** or **property damage** arising out of the entrustment, maintenance, use, loading or unloading of:
 - (1) saddle animals and vehicles for use with them;
 - (2) any type of aircraft, glider or balloon;
 - (3) any type of motor vehicle or motorized land conveyance; or
 - (4) watercraft; owned, operated, or hired by or for the **insured** or employer or used by the **insured** for the purpose of instruction in their use; or
- (c) **bodily injury** to any employee of an **insured**, arising out of this child care **business**, other than to a **domestic employee**, while engaged in the course of the employer's employment by an **insured**.

***Nebraska Exception.** In Nebraska, the Child Care exclusion (5)

(a) is replaced by the following:

- (a) any **insured** who inflicts or directs another person to inflict upon any person corporal punishment or sexual abuse which results in **bodily injury** or **property damage**. Sexual abuse includes physical or mental harassment or assault of a sexual nature;

Option 4 - EXTENDED WATERCRAFT LIABILITY AND MEDICAL EXPENSE COVERAGE.

The Section II Coverages are extended to cover the watercraft powered by outboard motor(s), owned by an **insured** and described in the declarations.

Option 5 - OFFICE, SCHOOL OR STUDIO USE. (Applies only to the occupancy by the **insured** as shown in the declarations.)

1. Section I: Coverage B - Personal Property is extended for up to an additional \$5000 to cover **business** personal property of this described incidental occupancy. This includes equipment, supplies, stock of merchandise in storage and furnishings usual to the described occupancy while such property is on the **insured premises**.

Any deductible shown in the declarations also applies to loss under this coverage.

2. Section II: The **insured premises** will not be considered **business** property because an **insured** occupies a part of it as an incidental office, school or studio as described. Exclusion 1b for Coverage D - Personal Liability and Coverage E - Medical Expense is amended to add:

- (5) **business** pursuits of an **insured** which are necessary or incidental to the use of the **insured premises** as the described office, school or studio.

This insurance does not apply to **bodily injury** to any employee of an **insured**, other than a **domestic employee**, arising out of or in the course of employment by an **insured** or **bodily injury** to any pupil arising out of corporal punishment administered by or at the direction of the **insured**.

Option 6 - BUSINESS PURSUITS.

The Section II Coverages are extended to cover the **business** pursuits of an **insured** who is a clerical office employee, salesman, collector, messenger or teacher as described in the declarations. However, this coverage does not apply:

- 1. to **bodily injury** or **property damage** arising out of the **business** pursuits of an **insured** in connection with a **business** owned or financially controlled by such **insured** or by a partnership or joint venture of which such **insured** is a partner or member;
- 2. to **bodily injury** or **property damage** arising out of the rendering of or failure to render professional services (other than teaching);
- 3. to **bodily injury** to a fellow employee of an **insured** injured in the course of employment;
- 4. when the **insured** is a member of the faculty or teaching staff of any school or college:
 - a. to **bodily injury** or **property damage** arising out of the entrustment, maintenance, use, loading or unloading of:
 - (1) saddle animals and vehicles for use with them;
 - (2) any type of aircraft, glider or balloon;
 - (3) any type of motor vehicle or motorized land conveyance; or

(4) watercraft; owned, operated or hired by or for the **insured** or employer or used by the **insured** for the purpose of instruction in their use; or

b. to **bodily injury** to any pupil arising out of corporal punishment administered by or at the direction of an **insured**. This exclusion does not apply to Coverage D - Personal Liability, if liability for corporal punishment is also purchased.

Option 7 - ADDITIONAL PREMISES COVERAGE.

The Section II Coverages are extended to cover the one or two family dwelling(s) shown in the declarations. The definition of **insured premises** includes such premises.

Option 12 - NAMED ADDITIONAL INSURED(S).

The definition of **insured** in this policy includes the person or organization named in the declarations as an additional **insured** or whose name is on file with us with respect to:

1. Section I: Coverage A - Mobile Home and Mobile Home Extension;
2. Section II: Coverage D - Personal Liability and Coverage E - Medical Expense 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.

The interest of the named additional **insured(s)** will be terminated only if **we** give such additional **insured** at least 10 days written notice of termination.

This option applies only with respect to the location shown in the declarations.

Option 13 - OTHER STRUCTURES

Our limit for covered other structures under Coverage A - Mobile Home Extension is amended to be the amount(s) shown in the declarations for this option.

Option 14 - PERSONAL PROPERTY REPLACEMENT COST COVERAGE.

We will pay the cost of repair or replacement of property listed below and owned by an **insured**, without deducting for depreciation.

1. This coverage applies to:
 - a. personal property under Coverage B - Personal Property and not excluded below;
 - b. carpeting;
 - c. household appliances;
 - d. outdoor antennas;
 - e. other structures covered under the Mobile Home Extension that are not buildings.

2. This coverage does not apply to:

- a. **business** property and property of others, on or off the described premises;
 - b. records, films, tapes or other magnetic recordings;
 - c. paintings, etchings, pictures, tapestries, statuary, articles made of marble, bronzes, antiques, rare books and papers, porcelains, rare glassware or any other articles which because of their inherent nature, cannot be replaced with new articles;
 - d. articles whose age or history contributes substantially to their value including, but not limited to, memorabilia, souvenirs and collectors items;
 - e. property which because of age or condition has become obsolete or unusable for its originally intended purpose.
3. Loss to Covered Personal Property. In the event of loss, **our limit** on any covered item will be settled subject to the following:
 - a. **We** will pay, after the application of any deductible amount, the cost of repair or replacement but not exceeding the smallest of the following amounts:
 - (1) the cost to replace the item with a similar item of like kind and quality at the time of the loss;
 - (2) the amount actually and necessarily spent by the **insured** for repairing or restoration;
 - (3) any policy **limit** which applies; or
 - (4) any applicable Coverage B or Supplementary Coverages **limit**.
 - b. Settlement Limitations - Personal Property. If **you** decide not to repair or replace the damaged property, settlement will be on an actual cash value basis, not to exceed the **limit** applying to the property. **You** may make a further claim within 180 days after the loss for any additional payment under Personal Property Replacement Cost Coverage, provided actual repair or replacement is completed within one year of the date of loss.

IN WITNESS WHEREOF, this policy is signed at Madison, Wisconsin, on our behalf by our President and Secretary. If required by statute, it is countersigned on the declarations page by our authorized representative.


President


Secretary

This is not a complete and valid contract without an accompanying DECLARATIONS PAGE properly signed.