

American Reliable Insurance Company

A Stock Insurance Company

8655 E Via De Ventura
Scottsdale, AZ 85258-3321
(800) 535-1333 (480) 483-8666

Special Mobile Homeowners Policy

DEAR POLICYHOLDER:

In the event you need to contact someone about this policy, please contact your agent. If you have additional questions or need further information, you may contact us at the address and telephone numbers shown above.

We welcome you as a policyholder of American Reliable Insurance Company.

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DEFINITIONS

WE, US, OUR, always means the Insurance Company as named on the **declaration page**.

YOU, YOUR, YOURS, means the person named on the **DECLARATION PAGE** and that person's spouse, or other relatives related to you by blood, marriage, or adoption, including a ward or foster child, who permanently reside in the same Mobile Home as the named insured. The named insured is the person or persons named on the **declaration page**. **You, your, yours** can mean each or all of **you**.

Declaration page is the separate enclosed page that shows the coverages **you** have selected. The **declaration page** is a part of this policy.

OCCURRENCE means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in **bodily injury** or **property damage**.

COLLISION means **collision** or upset of the mobile home while in transit or collision by a motor vehicle owned or operated by **you** or any member of **your** household.

These definitions will be bold faced throughout the text.

INSURING AGREEMENT

With **your** payment of the premium, **we** agree to provide the insurance **you** have selected as shown on the **declaration page**. This is subject to all policy terms and conditions. A premium charge or the word "included"

will be shown on the **declaration page** next to the coverages **you** select. **We** provide coverage only for losses which occur between the "from" and "to" dates shown on the **declaration page**.

PHYSICAL DAMAGE

Physical Damage always refers to damage to property **you** own. **We** will identify the coverage **we** provide for **your** Mobile Home, Unattached Adjacent Structures, and Personal Effects.

COMPREHENSIVE MOBILE HOME COVERAGE

We will pay for direct, sudden, and accidental loss of, or damage to, **your** Mobile Home, described on the **declaration page**, its original parts, equipment and accessories furnished by the manufacturer, dealer or seller of the Mobile Home, subsequent replacement of these items, and extensions or additions that are attached to the Mobile Home at the time of loss. The following items when attached to the Mobile Home are included: above ground foundation supports; water pumps; skirting; steps; water tanks; gas drums furnishing heating or cooking fuel for the Mobile Home; central air conditioning units. Not included are:

1. slabs;
2. driveways;
3. sidewalks;
4. septic tanks;
5. swimming pools;
6. retaining walls; and
7. any other similar items laid or set in the ground.

This coverage does not apply to land, including land on which the home is located.

COMPREHENSIVE UNATTACHED ADJACENT STRUCTURES COVERAGE

We will pay for direct, sudden, and accidental loss of, or damage to, Unattached Adjacent Structures **you** own.

Unattached Adjacent Structures are ONLY private garages, fences, freestanding carports, and utility sheds. This does not include barns, or farm or livestock structures. ANY OTHER items to be covered as Unattached Adjacent Structures must be individually listed. The total amount of insurance for Comprehensive Unattached Adjacent Structures is limited to the amount shown on the **declaration page**.

COMPREHENSIVE PERSONAL EFFECTS COVERAGE

We will pay for direct, sudden, and accidental loss of, or damage, to **your** Personal Effects. Personal Effects are items incidental to the use of **your** Mobile Home as a dwelling. **We** will pay up to the amount shown

on the **declaration page**. These Personal Effects must be located in **your** Mobile Home or an unattached adjacent structure located on **your** premises. Personal Effects coverage includes loss or damage caused by burglary, robbery, and theft except as limited elsewhere in this policy. Burglary means there must be visible signs of forced entry. Robbery means items must be taken by physical force or threat of physical force. Theft means taken without forced entry or without means of threat of physical force. Lost items or mysterious disappearance will not be considered as theft.

PERSONAL EFFECTS DO NOT INCLUDE

Money, notes, deeds, accounts, bills, securities, and other evidences of debt;

Aircraft, any trailers, motorcycles, farm machinery, campers, camper shells, slide-in camper units, boats, and boat motors;

Any motor vehicle, licensed or not for use on or off public roads except golf carts while used for golfing, or equipment usual and incidental to the maintenance of **your** Mobile Home premises;

Vehicle parts or equipment;

Business property or items carried or held as samples, or for sale or delivery after sale;

Animals, fish, or birds;

Property specifically covered by other insurance;

Property of roomers or boarders;

Any device or instrument for the transmitting, recording, receiving or reproduction of sound or pictures while installed in, or primarily used in any motor vehicle, boat, or aircraft;

Articles leased to **you**;

Any item insured under Comprehensive Mobile Home Coverage or Comprehensive Unattached Adjacent Structures Coverage.

PERSONAL EFFECTS ITEMS SUBJECT TO LIMITED COVERAGE

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

1. \$250 on bullion, gold, goldware, silver, silverware, platinum, and other precious metals.
2. \$250 on jewelry, watches, furs, precious and semi-precious stones.

3. \$250 on arts and antiques.
4. \$250 on tools and tool boxes.
5. \$250 on golf equipment.
6. \$250 on cameras and camera equipment, including video camera recorders and their equipment.
7. \$250 on books, manuscripts, tickets, photographs, and stamps, cards and comic book collections.
8. \$250 on computer equipment, including its software.
9. \$250 on musical instruments.
10. \$250 on guns and their accessories.

We will pay no more than \$750 for loss of items from three or more of these special categories. We will pay for loss to these special items only when caused by fire, lightning, earthquake, landslide, windstorm, flood, rising water, robbery, burglary, or theft. These limits do not increase the Personal Effects amount of coverage shown on the **declaration page**.

EXTENSION OF PERSONAL EFFECTS COVERAGE

We will pay up to 10% of the amount of Comprehensive Personal Effects Coverage, or \$500, whichever is greater, for loss of or damage to **your** Personal Effects outside of **your** Mobile Home or a fully enclosed unattached adjacent structure. The loss or damage must be caused by fire, lightning, windstorm, earthquake, landslide, flood, rising water, robbery, or burglary.

YOUR ADDITIONAL COVERAGES

When **you** buy Comprehensive Mobile Home Coverage, **we** automatically include the following additional coverages. **We** will pay for these losses with no deductible.

Comprehensive Additional Living Expense Coverage

We will pay **you** up to a maximum of 10% of the amount of coverage for **your** Mobile Home for reasonable Additional Living Expenses **you** pay when **you** cannot live in **your** Mobile Home because it is damaged or destroyed by a covered loss. **Our** payment ends when **your** Mobile Home is repaired or replaced, or seven days after **we** have offered to make settlement. **We** will need paid receipts to verify **your** reasonable additional living expenses incurred in addition to **your** normal living expenses.

Debris Removal Coverage

We will pay up to \$250 for the cost of removing debris of covered property when caused by loss from a covered peril. This does not apply to removal of debris which would be considered normal maintenance.

Emergency Removal Service Coverage

We will pay up to \$500 when **your** Mobile Home must be moved when it is threatened by a covered loss. **We** will pay no more than the actual cost, up to \$500.

Fire Department Service Coverage

(Not applicable in Arizona, New Jersey and New Mexico.)

We will pay when the fire department is called because of a fire in, or endangering **your** Mobile Home. **We** will pay for the fire department charge up to \$250 or the amount shown on the **declaration page**, whichever is greater.

Radio and Television Antenna Coverage

We will pay the actual cost up to \$100 or the amount shown on the **declaration page** for loss of, or damage to **your** radio antenna, television antenna, or satellite receiving system, including the internal and external components, located on **your** Mobile Home premises. The loss or damage must be caused by fire, lightning, earthquake, landslide, flood, rising water, robbery, burglary, or windstorm.

Trees, Shrubs, Plants, and Lawn Coverage

We will pay for loss or damage to **your** trees, shrubs, plants, and lawn caused by fire, lightning, explosion, riot or civil commotion, aircraft, vandalism, malicious mischief, or motor vehicles, not owned or operated by **you**. We will pay no more than the actual cost up to \$50 for any one plant or shrub, the actual cost up to \$100 for the lawn or one tree, with a maximum combined payment of \$200 for each **occurrence**. **We** do not cover property grown for business purposes.

Tie-Down Equipment

We will pay for damage to **your** Mobile Home tie-down anchoring systems. This does not include loss or damage from rust, corrosion, or faulty installation. **We** will pay no more than the actual cost, up to \$250.

OUR PAYMENT METHODS

The amount **we** pay for loss of, or damage to, **your** Mobile Home, Unattached Adjacent Structures, and Personal Effects will be the lowest of:

The difference between the actual cash value of **your** property immediately before the loss and its actual cash value immediately after the loss; or

The cost of repairing the damage, less applicable depreciation or betterment; or

The actual cash value of **your** property immediately preceding the loss; or

The cost of replacing **your** property, less applicable depreciation or betterment; or

The amount of insurance shown on the **declaration page**.

We may also replace the property with property of similar kind, quality, and value.

OUR PAYMENT METHODS FOR SPECIFIC TYPES OF LOSSES (THESE PROVISIONS SUPERSEDE ALL OTHER PAYMENT METHODS)

Hail

The amount **we** will pay **you** for loss or damage from hail depends on the type of loss or damage it causes.

Hail can cause structural damage, which is the actual penetration of the exterior surface or the cracking or breaking of support materials. When this type of damage occurs, **we** will pay the cost of repairing or replacing the damaged portion of the property less applicable depreciation or betterment.

Hail often dents the exterior surface of a Mobile Home. Since there is no structural damage, this will in no way affect the utility of the Mobile Home. The amount **we** pay for this will be the difference between the actual cash value of **your** property immediately before the loss and its actual cash value immediately after the loss.

Pairs and Sets

In case of loss to part of a pair, set, series of objects, pieces or panels, either interior or exterior, **we** may:

Repair or replace any part to restore the pair or set to its value before the loss, or

Pay the difference between the actual cash value of the pair or set before and after the loss.

We cannot guarantee the availability of parts or replacements. **We** will not be obligated to repair or replace the entire pair, set or series of objects, piece or panel when a part is lost or damaged.

Stolen Property

Before a loss for stolen property is paid or the property is replaced, **we** may return any stolen property to **you** at **our** expense with payment for any damage.

If, as a result of **your** loss, **we** pay **you** in cash or by replacement an amount equal to the actual cash value of **your** property before the loss, at **our** option, **we** have the right to take legal title of **your** property.

Deductible

Certain losses or damages are subject to a deductible amount as shown on the **declaration 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 shown, **you** pay the deductible amount and **we** pay the rest up to the amount of insurance provided to **you** in this policy.

This policy may have different deductibles for different coverages. Only one deductible amount will be applied to a loss from one **occurrence**. If the deductible amounts are not equal, the highest deductible for the coverages involved in the loss will apply.

The deductible will apply separately to each Mobile Home insured under this policy.

PHYSICAL DAMAGE DOES NOT PROVIDE PAYMENT FOR:

Loss or damage due and confined to wear and tear, freezing, neglect, mechanical or electrical breakdown or failure, or manufacturer or latent defect, or improper installation;

Loss or damage resulting from or increased by water backing up through sewers or drains or water below the surface of the ground;

Loss or damage to **your** Mobile Home, caused by any governmental requirement regulating construction, confiscation, repair, demolition, sale, occupancy, or relocation of **your** Mobile Home;

Loss or damage if your Mobile Home, Unattached Adjacent Structures, Personal Effects or premises are being used for any illegal trade or illegal business;

Loss or damage due and confined to leakage from rain, sleet, or snow or its resulting damage whether or not wind driven;

Loss or damage if **your** Mobile Home, Unattached Adjacent Structures, Personal Effects or premises are used for business or professional purposes;

Loss if **you**, or any resident of **your** Mobile Home, intentionally cause damage to or destruction of **your** Mobile Home, Unattached Adjacent Structures, or Personal Effects, or if **you** intentionally gave **us** materially false information with intent to deceive in order to obtain this policy or in **your** presentation of a claim;

Loss due to nuclear action which means nuclear reaction, radiation or radioactive contamination. Direct loss by fire resulting from nuclear action is covered;

Loss or damage due to war, hostile or war-like action in time of peace or war, whether declared or not declared;

Loss or damage to tires, wheels, and axles, unless damaged by fire or stolen while attached to or from inside the Mobile Home;

Loss by robbery, burglary, theft, vandalism, malicious mischief if the Mobile Home is vacant for more than 30 consecutive days before the loss. Vacancy does not mean temporary unoccupancy;

Loss while **your** Mobile Home is rented to others by **you**, or used for other than private residential purposes, unless such use is described on the **declaration page** and an additional premium has been paid;

Loss caused by insects, vermin, birds, or animals;

Loss caused by or resulting from repairing, adjusting, servicing or maintenance operation, unless fire or explosion ensues, and then only for the loss or damage by the ensuing fire or explosion;

Loss due to acts of malicious mischief, vandalism, or theft caused by any member of the household or a person in lawful possession or custody of the Mobile Home;

Lost items or mysterious disappearance;

Loss or damage caused by **collision**;

Loss to **your** Mobile Home, Adjacent Structures, or Personal Effects while the Mobile Home is in transit. The Mobile Home is considered in transit when the leveling blocks or jacks are removed or utilities are disconnected and until the Mobile Home is re-blocked and leveled with utilities reconnected and ready for occupancy.

PERSONAL LIABILITY COVERAGE

Comprehensive Personal Liability Coverage provides protection against accidents that happen to somebody else, but that **you** are legally responsible for, subject to all policy terms and conditions.

We will pay under Comprehensive Personal Liability Coverage for damages **you** become legally obligated to pay when the damages occur on **your** Mobile Home **premises** or result from **your** personal actions.

We will pay for certain medical expenses whether or not **you** are legally liable as described under Medical Payments To Others Coverage, subject to all policy terms and conditions.

Comprehensive Personal Liability Coverage and Medical Payments To Others Coverage provides coverage only for:

Activities which are ordinarily incidental to non-business pursuits.

DEFINITIONS

BODILY INJURY means **bodily injury**, sickness, disease, or death of any person, except **you** or any resident of **your** Mobile Home.

PROPERTY DAMAGE means damage or destruction of property of others or damage or injury to it, including loss of its use.

PUNITIVE OR EXEMPLARY DAMAGES are considered to be damages which may be imposed to punish a wrong doer and to deter others from similar conduct.

PREMISES means:

Your Mobile Home as long as it is not for rental, farm, or business use. Included are **premises** used in connection with **your** Mobile Home. Also included are adjacent sidewalks and drives to **your** Mobile Home.

Vacant land other than farmland owned by or rented to **you**, including land on which a one or two family dwelling is being built for **your** use;

Premises not owned by **you** but in which **you** temporarily live; or

Individual or family cemetery plots or burial vaults.

These definitions will be bold faced throughout the text.

COMPREHENSIVE PERSONAL LIABILITY COVERAGE

If a claim is made or a suit brought against **you** for damages because of **bodily injury** or **property damage** to which this coverage applies, **we** will:

1. Pay up to **our** limit of liability shown on the **declaration page** for the damages for which **you** are legally liable; and
2. Provide a defense at **our** expense by attorneys of **our** choice. **We** may make any investigations and settle any claims or suits that **we** decide appropriate. **Our** obligation to defend any claim or suit ends when the amount **we** pay for damages resulting from the accident equals **our** limit of liability shown on the **declaration page**.

MEDICAL PAYMENTS TO OTHERS COVERAGE

We will pay on **your** behalf, up to **our** limit of liability shown on the **declaration page** the necessary medical expenses incurred or medically determined within one year from the date of an accident resulting in **bodily injury**. The accident must occur between the "from" and "to" dates shown on the **declaration page**. Medical expenses means reasonable charges for medical, surgical, X-Ray, dental, ambulance, hospital, professional nursing, recognized religious method of healing, prosthetic devices, and funeral services. This coverage does not apply to **you** or a resident of **your** Mobile Home other than residence employees. This coverage also does not apply to a person regularly residing in any other dwelling, Mobile Home, or structure located on **your premises**.

MEDICAL PAYMENTS TO OTHERS COVERAGE APPLIES ONLY:

1. To a person on **your premises** with **your** permission;
2. To a person off of **your premises** if the **bodily injury**:
 - a. Arises out of a condition in **your premises** or the sidewalks and drives adjacent to **your premises**;
 - b. Is caused by **your** activities;
 - c. Is caused by a residence employee in the course of duties for **you**; or
 - d. Is caused by an animal owned by **you** or in **your** care.

WE COVER THE FOLLOWING IN ADDITION TO THE LIMITS OF LIABILITY:

Claim Expenses

For claim expenses **we** pay:

Expenses incurred by **us** and costs taxed against **you** in any suit **we** defend;

Premiums on bonds required in a suit defended by **us**, but not for bond amounts greater than the Limit of Liability for Comprehensive Personal Liability Coverage. **We** are not obligated to apply for or furnish any bonds;

Expenses incurred by **you** at **our** request, including up to \$50 a day actual loss of earnings, for assisting **us** in the investigation or defense of any claim or suit; and

Interest on the entire entered judgment until **we** pay, formally offer, or deposit in Court that part of the judgment which does not exceed the limit of **our** liability on that judgment.

First Aid Expenses

We will pay **your** expenses for first aid to others at the scene of an accident caused by **you**. **We** will not pay for first aid to **you**.

Damage To Property of Others

We will pay for Damage To Property Of Others caused by **you** up to \$250 per accident subject to all policy terms and conditions.

COMPREHENSIVE PERSONAL LIABILITY EXCLUSIONS

Comprehensive Personal Liability Coverage and Medical Payments To Others Coverage Does Not Pay For Bodily Injury Or Property Damage:

Which is expected or intended by any of **you** or performed at any of **your** direction;

Which is caused by **you** while under the influence of alcohol, drugs, or any other mind altering substances;

Arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician;

Arising out of **your** business pursuits. This also includes **your** occasional or part-time business pursuits;

Arising out of the rental or holding for rental of any **premises** owned by **you** intended for use as a residence for more than two roomers or boarders;

Arising out of the rendering or failing to render professional services;

Arising out of any **premises** owned by you or rented to **you** unless it is shown on the **declaration page** and a premium charge has been made;

Arising out of the actual, alleged, or threatened discharge, dispersal, release or escape of pollutants at or from **premises you** own, rent, or occupy;

Arising out of loss, cost, or expense from any governmental direction or request that **you** test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize pollutants;

Arising out of any loss, cost, obligation, or expense caused by lead, paint containing lead, soil or earth containing lead, or any substance or material containing lead;

Arising out of any loss, cost, obligation or expense arising out of any request, demand or order to test for, monitor, clean-up, remove, abate, contain, treat, detoxify, or neutralize lead, paint containing lead, soil or earth containing lead, or any substance or material containing lead, or in any way responding to or assessing the effects of lead;

Arising out of any loss, cost, obligation or expense arising out of any claim or suit by or on behalf of any governmental authority, person, or organization for damages resulting from the testing for, monitoring, cleaning-up, removing, abating, containing, treating, detoxifying or neutralizing lead, paint containing lead, soil or earth containing lead, or any substance or material containing lead or in any way responding to or assessing the effects of lead;

Arising out of the ownership, maintenance, use, loading, or unloading of:

Any motor vehicle, licensed or not for use on or off public roads, except golf carts while used for golfing, or equipment while engaged in the maintenance of **your** Mobile Home **premises**;

Aircraft;

Watercraft;

If the watercraft has inboard or inboard-outboard motor(s) exceeding 50 horsepower;

If it is a sailing vessel, with or without auxiliary power, 26 feet or more in overall length;

If it is powered by one or more outboard motors with more than 25 combined total horsepower;

Designated as a jet ski or similar type of craft; or

Designated as an air boat, air cushion, or similar type of craft.

Caused directly or indirectly by war, hostile or war-like action, in time of peace or war, whether or not declared, riot or civil disorder;

Arising out of **your** illegal activities;

Arising out of communicable diseases or sickness as may have been transmitted by **you** or as may have arisen from **your** activities.

Arising out of sexual molestation, corporal punishment, or physical or mental abuse.

COMPREHENSIVE PERSONAL LIABILITY COVERAGE DOES NOT PAY FOR:

Bodily injury or **property damage** arising out of any loss assessment charged against you as a member of an association, corporation, or community of property owners;

Liability assumed under any contract or agreement;

Damage to property owned by **you**;

Damage to property rented to **you**, occupied or used by **you** or in **your** care except as provided by Damage To Property Of Others; (*This exclusion does not apply to property damage caused by fire, smoke, or explosion.*)

Bodily injury to any person eligible to receive any benefits required to be provided by **you** under any worker's compensation, non-occupational disability or occupational disease laws;

Bodily injury or **property damage** if **you** are also covered under a nuclear energy liability policy whether or not its limits of liability have been exhausted;

Bodily injury to **you** or other persons under age 21 in **your** care; or

Punitive and **exemplary damages**. (*This exclusion is not applicable in the states of Alabama, Georgia, Louisiana, Maryland, Michigan, New Jersey, South Carolina, and Tennessee.*)

MEDICAL PAYMENTS EXCLUSIONS

Medical Payments to Others Coverage Does Not Pay for Bodily Injury:

To a residence employee if the **bodily injury** occurs off **your** Mobile Home **premises** and does not arise out of, or in the course of, the employment by **you**;

To any person eligible to receive any benefits required to be provided or voluntarily provided under any worker's compensation, non-occupational disability, or occupational disease law;

From nuclear action meaning nuclear reaction, radiation, or radioactive contamination; or

To any person other than a residence employee of an insured, regularly residing on any part of the insured **premises**.

DAMAGE TO PROPERTY OF OTHERS DOES NOT PAY:

If the loss is insured under any physical damage coverage in this policy;

If the loss is caused intentionally by any one of **you** who is 13 years old or older;

For loss to property owned by or rented to:

you;

your tenant; or

any resident of **your** Mobile Home.

If the loss arises from:

Business pursuits;

Any act or omission in connection with a **premises** owned, rented, or controlled by **you** unless it is shown on the **declaration page** and a premium charge has been made; or

The ownership, maintenance, or use of a motor vehicle, aircraft, or watercraft.

GENERAL POLICY CONDITIONS

These general conditions apply to **your** policy. This policy is issued in reliance upon the truth of **your** representations, and this policy includes all agreements existing between **you** and **us** or any of **your** agents.

APPRAISALS

If settlement cannot be agreed to, then both **you** and **we** have the right to select a competent and disinterested appraiser within 20 days from the date of disagreement. The appraisers will select an umpire. The appraisers will determine the amount of the loss. If they do not agree then each appraiser will submit their amount of the loss to the umpire. The agreement of any two will determine the amount of the loss and be binding on all parties. **You** pay **your** appraiser and **we** pay **our** appraiser.

You and **we** share equally the expense of the umpire and all other expenses of the appraisals.

ARBITRATION CLAUSE

Any and all disputes, controversies or claims of any kind and nature between you and **us** arising out of or in any way related to the validity, interpretation, performance or breach of any provisions of this policy, and upon which a settlement has not been reached by **you** and **us**, shall be resolved exclusively, by arbitration in accordance with the Federal Arbitration Act (9 U.S.C. § 1 ET SEQ).

You shall appoint one arbitrator and **we** shall appoint an arbitrator. The two arbitrators appointed shall together pick a third arbitrator. Any decision of the arbitrators shall be by majority vote. In all other respects, the rules and procedures of the American Arbitration Association's Commercial Arbitration Rules shall govern the arbitration proceeding, except to the extent that such rules and procedures conflict with the Federal Arbitration Act. Arbitration shall be held in the city and state where the insured(s) resides, unless otherwise agreed, in writing, by the parties. In no event shall the arbitrators grant any relief not available in the courts of the state where the policy is issued. Judgment upon the arbitration award shall be entered in a court of general jurisdiction in the state where **you** reside. Appeals may be taken from the arbitrators' decision only in accordance with the Federal Arbitration Act.

You and **we** understand that:

1. discovery in an arbitration proceeding may be more limited than and different from that in a court proceeding;
2. the arbitrators are not required to state the basis of their decision or to issue any findings of fact; and
3. both **your** and **our** right to appeal or to seek modification of rulings by the arbitrators may be limited.

AUTOMATIC REINSTATEMENT OF COVERAGE

Any damage to **your** property will reduce the amount of coverage available by the amount of the damage. **Your** coverage limit will return to its limit of liability shown on the **declaration page** upon completion of repairs or replacements.

AUTOMATIC TERMINATION

If **we** offer to renew your policy and **you** or **your** representative do not accept, the policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal continuation premium when due means that **you** have not accepted **our** offer.

If **you** obtain other insurance on **your** Mobile Home, any similar insurance provided by this policy will terminate on the effective date of the other insurance.

BANKRUPTCY

If **you** become bankrupt or insolvent, **we** will still be obligated under this policy.

CONCEALMENT, FRAUD, OR MISREPRESENTATION

The entire policy will be void if, whether before or after a loss, **you** have:

1. intentionally concealed or misrepresented any material fact or circumstance;
2. engaged in fraudulent conduct; or
3. made false statements

relating to this insurance.

CANCELLATION

1. **You** may cancel this policy at any time by returning it to **us** or by letting **us** know, in writing, of the date cancellation is to take effect.
2. **We** may cancel this policy only for the reasons stated below by letting **you** know, in writing, of the date cancellation takes effect. This cancellation notice may be delivered to **you**, or mailed to **you** at **your** mailing address shown on the **declaration page**.

Proof of mailing will be sufficient proof of notice.

- a. When **you** have not paid the premium, **we** may cancel at any time by letting **you** know at least 10 days before the date cancellation takes effect.
- b. When this policy has been in effect for less than 60 days, and is not a renewal with **us**, **we** may cancel for any reason by letting **you** know at least 10 days before the date cancellation takes effect.
- c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with **us**, **we** may cancel if there has been:
 - (1) conviction of a crime having as one of its necessary elements an act increasing the hazard insured against;
 - (2) discovery of fraud or material misrepresentation; or
 - (3) discovery of grossly negligent acts or omissions substantially increasing any of the hazards insured against;
 - (4) physical changes in the property insured against which result in the property becoming uninsurable.This can be done by letting **you** know at least 30 days before the date cancellation takes effect.
- d. When this policy is written for a period of more than one year, **we** may cancel for any reason at anniversary by letting **you** know at least 30 days before the date cancellation takes effect.
- e. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata subject to the minimum earned premium shown on the **declaration page**.
- f. 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.

NON-RENEWAL

If **we** elect not to renew this policy, **we** will notify **you** (and the Lienholder, if shown on the **declaration page**) by delivery to **you**, or mailing to **you** at **your** address shown on the **declaration page**, written notice at least 30 days before the expiration date of this policy (otherwise **we** will be obligated to renew this policy if **you** pay the required premium before the expiration date). Proof of mailing shall be sufficient proof of notice.

CHANGES TO YOUR POLICY

The only other way this policy can be changed is if **we** change it in writing, which will be made a part of this policy. Any change in **your** premium will be made at that time.

LEGAL ACTION AGAINST US

You may not bring legal action against **us** concerning this policy unless **you** have fully complied with all of its terms. Suit must be brought within one (1) year after the loss.

Under the Liability Coverages, no legal action may be brought against **us** until judgment against **you** has been finally determined after trial. **Your** policy does not give anyone the right to make **us** a party to any action to determine **your** liability.

LIBERALIZATION CLAUSE

If any provision of this policy is in conflict with **your** state's or the Federal Government's laws or regulations at the time **your** policy is written, it is automatically changed to conform to them. **We** will automatically give

you the benefit of any extension or broadening of this policy, if the change does not require additional premium.

This Liberalization Clause does not apply to changes implemented through introduction of a subsequent edition of **our** policy.

LIENHOLDER INTEREST

If **you** borrowed money to buy **your** Mobile Home, the person or business that loaned **you** the money is called the lienholder. The designation of a lienholder is considered to be an acknowledgment by **you** that the lienholder has a legal interest in the Mobile Home due to an installment sales contract or other security agreement.

When a lienholder is named on the **declaration page**, **our** payment method will recognize the lienholder's interest in **your** property. If **we** elect to settle **your** loss or damage in money, both **your** name and **your** lienholder's will appear on **our** payment check. If **you** have paid off **your** lienholder, please tell **us** so that the lienholder's name may be removed from the **declaration page**.

If **your** interest in the Mobile Home is terminated, **our** payment method will recognize only the lienholder's interest. No change in title or ownership of **your** Mobile Home or any negligent acts of **yours** will cancel the lienholder's interest in this policy.

You or the lienholder must let **us** know of any change of ownership or any increase in hazard which comes to **your** or the lienholder's knowledge. If this change in ownership or 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** lienholder may be requested to pay that premium.

If **you** fail to give **us** proof of loss within the required 90 days, the lienholder is given an additional 30 days to notify **us** of the loss.

LIMITS OF LIABILITY

Regardless of the number of insureds, claims made, or persons injured, **our** total liability under Comprehensive Personal Liability stated in this policy for all damages resulting from any one occurrence, shall not exceed the limit of liability for Comprehensive Personal Liability stated on the **declaration 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 to be the result of one occurrence.

Our total liability under Medical Payments to Others for all medical expense payable for **bodily injury** to one person as the result of one accident, shall not exceed the limit of liability for Medical Payments stated on the **declaration page**.

LOCATION

If **you** move **your** Mobile Home, **you** must notify **us** or your agent within thirty (30) days.

OTHER INSURANCE

Insurance under this section shall apply as excess insurance over other valid and collectible insurance which would apply in absence of this policy.

OUR RIGHT TO RECOVER FROM OTHERS

After **we** have made payment under this policy, except for Medical Payments To Others, **we** have the right to recover the payment from anyone who may be held responsible. **You** will be required to sign any papers and do whatever else is necessary to transfer this right to **us**.

Neither **you** nor anyone **we** insure in this policy has the right to do anything to prejudice **our** right to recover from others.

SALVAGE: NO ABANDONMENT TO US

Upon settlement by **us** of any total loss or where **we** have paid the policy limits, the salvage, if any, shall belong to **us** at our option, however, there shall be no abandonment to **us**.

TRANSFER OF THIS POLICY

No interest in this policy can be transferred without **our** written consent. If **you** die, this policy will continue in force for the remainder of the time between the "from" and "to" dates shown on the **declaration page**. This policy will only continue for other members of **your** family entitled to coverage at the time of **your** death or for **your** legal representative.

WHAT TO DO WHEN YOU HAVE A LOSS

Any robbery, burglary, theft, vandalism, or malicious mischief loss must be reported to the appropriate law enforcement agency within 24 hours after **you** discover the loss.

When **you** have a loss, **you** or someone on **your** behalf must notify **us** at once. When **you** notify **your** agent or **us**, please give **your** name, policy number, how the loss happened, including the extent of the damages or injuries, names of witnesses, and all other pertinent facts at the time **you** report the loss. **We** may require this information in writing.

You must forward to **us** every notice, demand, summons or other process relating to the accident or **occurrence**.

If **you** have a loss, **you** must protect **your** insured property from any further damage. If **you** fail to do so, any further damage will not be recoverable under this policy. **We** will pay any actual reasonable expenses for necessary emergency repairs incurred in protecting the insured property from further loss if that loss is covered by this policy.

We may require that **you** file with **us** a notarized proof of loss within 90 days after the loss or damage. **You** may be required to show **us** the damaged property and submit to examination under oath. **You** will be required to cooperate with **us** in **our** effort to investigate the accident or loss, settle any claims against **you**, and defend **you**. If **you** fail to cooperate, **we** have the right to deny **you** coverage.

You, except at **your** own expense, may not voluntarily make any payment, assume any obligation or incur any expenses other than First Aid Expenses or emergency repair.

When **you** have a loss **we** insure, **we** will make settlement within 60 days after **we** receive an acceptable proof of loss and the amount of loss is determined as provided in this policy.

In Witness Whereof, the Company has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned on the **declaration page** by a duly authorized agent of the Company.

Christina S. Cona

SECRETARY

Robert Hill

PRESIDENT