



Insurance Provided by
 MCGRAW INSURANCE SERVICES
 P.O. BOX 40
 ANAHEIM, CA 92815-0040

Underwritten By
 PACIFIC SPECIALTY INSURANCE COMPANY
 FINANCIAL RATING: "A" (EXCELLENT) BY AM BEST
 STATUS: ADMITTED

Named Insured
 ABRAHAM PIMENTEL
 AND ERICA PIMENTEL
 4919 EAST CARMEN AVE
 FRESNO, CA 93727

Insurance Producer
 PRODUCER: B16501, (559)-224-8222
 PARKERGENERAL@JOEPARKERINSURANCE.CO
 PARKER GENERAL INSURANCE SVCS
 PO BOX 5411
 FRESNO, CA 93755

www.PacificSpecialty.com
 Manage your account. Pay bills.

CALIFORNIA HO-3 Preferred Homeowners Insurance

This is your Declarations Page

For policy service/questions contact your producer at
 (559)-224-8222 or C/S at 1-800-303-3000

1-800-962-1172 (For claims service)

Policy No.: MNG 0093229-14
 Policy Type: HO-3 PREFERRED PERSONAL HOMEOWNERS
 Policy Term: July 24, 2016 to July 24, 2017 at 12:01 am Standard Time
 at the address of Named Insured as stated herein

Coverage Summary
 Insured Location: 4919 EAST CARMEN AVE FRESNO CA 93727

Please see next page for a full list of coverages, credits and adjustments applied to your policy, as well as other available options.

Coverage	Limit	Deductible
* DED, UNLESS SPECIAL DED. BELOW		\$500.00
A DWELLING	\$235,000.00	
A2 ORDINANCE OR LAW COVERAGE		
B OTHER STRUCTURES	\$23,500.00	
C PERSONAL PROPERTY	\$117,500.00	
CR3 MODIFY DEDUCTIBLE		
C1 REPLACE COST PERSONAL PROPERTY		
D LOSS OF USE	\$47,000.00	
E PERSONAL LIABILITY	\$100,000.00	
E1 ANIMAL LIABILITY	\$100,000.00	
F MEDICAL PAYMENTS	\$1,000.00	
P1 COPPER PLUMBING ENDORSEMENT	55 No. of years	
P18 TRAMPOLINE EXCLUSION		
P19 DIVING BOARD & SLIDE EXCLUSION		
U 438BFU MORTGAGEE CLAUSE		

X ROOF FOR FIRE & LIGHTNING ONLY
.....

Policy Coverage Premium (excluding fees):

\$982.00

*****THIS IS NOT A BILL*****

Any payment information will be requested separately (if applicable).

Please read your policy carefully for coverage details.

Please be aware that an independent inspection company will conduct the required exterior inspection of your property. You do not need to be present for the inspection to occur.

Outline of Coverage Detail

Coverage	Limits	Deductible	Premium
Dwelling			
A DWELLING	\$235,000.00		\$913.00
B OTHER STRUCTURES	\$23,500.00		INC.
Personal Property			
C PERSONAL PROPERTY	\$117,500.00		INC.
C1 REPLACE COST PERSONAL PROPERTY			INC.
Liability			
E PERSONAL LIABILITY	\$100,000.00		INC.
E1 ANIMAL LIABILITY	\$100,000.00		\$13.00
F MEDICAL PAYMENTS	\$1,000.00		INC.
P18 TRAMPOLINE EXCLUSION			INC.
P19 DIVING BOARD & SLIDE EXCLUSION			INC.
Other			
A2 ORDINANCE OR LAW COVERAGE			INC.
D LOSS OF USE	\$47,000.00		INC.
P1 COPPER PLUMBING ENDORSEMENT	55 No. of years		INC.
U 438BFU MORTGAGEE CLAUSE			\$10.00
X ROOF FOR FIRE & LIGHTNING ONLY			INC.
Deductible			
* DED, UNLESS SPECIAL DED. BELOW		\$500.00	INC.
CR3 MODIFY DEDUCTIBLE			\$46.00
Policy coverage premium:			\$982.00
POLICY FEE (Fully earned)			\$30.00
INSPECTION FEE (Fully earned)			\$40.00
Total 12 Month Policy Charge			\$1,052.00

Policy and inspection fees, if charged, are fully earned (retained).

THIS IS NOT A BILL

*Any payment information will be requested separately (if applicable).
Please read your policy carefully for coverage details.*

THIS POLICY DOES NOT INCLUDE OPTIONAL EARTHQUAKE COVERAGE.

Lienholder information

We send certain notices such as coverage summaries and cancellation notices to the following:

Impound account: YES

Lienholder

EVERHOME MORTGAGE, ADVISON OF
 EVERBANK ISA0A
 P O BOX 620138
 DORAVILLE, GA 30362
 Loan No.: 9000469913

Lienholder

GATEWAY BUSINESS BANK
 DBA MISSION HILLS MORT BANKERS ISA0
 PO BOX 22017
 SANTA ANA, CA 92702-2017
 Loan No.: 123301024

Lienholder

EDUCATIONAL
 EMPLOYEES CREDIT UNION ISA0A
 PO BOX 25273
 FORT WORTH, TX 76124
 Loan No.: 009501192

Insured Property CharacteristicsDwelling

Year of construction: 1961
 Type: FRME
 Living Area Square Footage: 1,376
 Number of Units: 1

Roof

Material: COMP
 Condition: Unknown
 Stated Age: 55
 Roof Type: Unknown

Dwelling Category: STD
 Garage: 2 Car
 Porches/Decks: 400 Sq. Ft.
 Fireplace(s): 0
 Estimated Value: \$156,000.00
 Additional Adjustment:
 Insured Value: \$235,000.00
 Dwelling Valuation Method: PSIC

The dwelling coverage should be an amount sufficient to replace the home in the case of a total loss. Please reference the requirements of Insurance Regulation 2188.65 regarding estimating dwelling replacement cost. Please be aware that it is ultimately the insured's responsibility to obtain adequate insurance coverage. If you feel that the dwelling replacement cost estimated above is insufficient, you should increase the coverage to the amount you feel is appropriate.

The following statement is required by California Insurance Code Section 10103: "The limit of liability for this structure (Coverage A) is based on an estimate of the cost to rebuild your home, including an approximate cost for labor and materials in your area, and specific information that you have provided about your home."

Your policy does not contain the following coverage options:

- AP PREMIER PACKAGE
- A1 25% EXTENDED REPLACEMENT COST
- A6 WATER BACKUP COVERAGE
- C2 ENHANCEMENT-JEWELRY, GOLDWARE
- C3 COMPUTER EQUIP.(SEE SUBLIMITS)
- C3A PERSONAL COMPUTER SYSTEMS
- C3B PERSONAL COMPUTER PROGRAMS
- C3C DATA RE-CREATION
- C4 HOME FREEZER CONTENTS COVERAGE
- C5 SCHEDULED PERSONAL PROPERTY
- C6 INCR.UNSCHED.PROP.IN BUSINESS
- D1 SUPERIOR HOME PROT. PACKAGE
- E2 PERSONAL INJURY LIABILITY
- E3 PERS. LIA. EXTENDED TO OTHER
- H EARTHQUAKE
- I1 IDENTITY THEFT
- I2 IDENTITY THEFT WITH ID ALERT

Please contact your producer to learn about these coverage options.

Your policy premium does not include the following premium credits:

- CRF TILE ROOF CREDIT
- CRG GATED COMMUNITY CREDIT
- CR1 BURGLARY PROTECTION CREDIT
- CR2 FIRE PROTECTION CREDIT
- GRC GATED RETIREMENT COMM. CREDIT
- MPD MULTI POLICY DISCOUNT
- S NEWER HOME CREDIT

Please contact your producer to see if you qualify for any additional premium credits.

Important: If a payment plan is utilized, a fully earned service charge will be added for each installment payment made by the Insured. The maximum service charge applied per installment payment is \$10.00. Service charges are determined at the time a payment plan is selected. Service charges are not charged on down payments, on installments not tendered due to early payment of your premium balance, or on the entire premium payment. An installment invoice will be sent to the Insured detailing the required payment amount and payment due date. Payments must be received in our office prior to the due date or the policy will be cancelled for non-payment of premium.

Fraud Statement

For your protection California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Any revisions, changes and/or corrections made on the printed application after the information has been submitted online are not reflected on this Declarations page and are not part of the application for insurance. If any information on the Declarations page is inaccurate, please notify us in writing via US Mail to:

**McGraw Insurance Service
ATTN: Underwriting Dept.
PO BOX 40
Anaheim, CA 92815-0040**

For claims reporting, please call: 1-800-962-1172.

For policy service, please call: (559)-224-8222.

Important Information About Your Policy

Based on the information you have provided, your policy has been issued subject to the following coverage forms and endorsements. Please note that some of these endorsements may limit certain portions of your coverage. Others add optional coverages that you have selected. These are summary descriptions only. Please read the actual policy forms and endorsements to determine the exact level of coverage your endorsed policy provides. We highly recommend reviewing your coverage with your insurance producer.

HO-3 (Ed. 7.2)

HO-3 Homeowners Policy

This is your basic coverage form and it is subject to the various endorsements noted below.

CAMI (Ed. 1)

Registered Domestic Partner Coverage

This endorsement provides state-mandated coverage for a registered domestic partner.

HO-90 (9-84)

Workers' Compensation

This endorsement provides state-mandated workers compensation coverage for residence employees.

NM-CA-MEPL (04/02)

Mold Exclusion

This endorsement excludes coverage for losses stemming directly or indirectly from mold, fungi, mildew, spores, wet or dry rot, or similar organisms, regardless of cause.

NM-CA-PO1 (11/01)

Pathogenic Organisms Exclusion

This endorsement excludes coverage for losses stemming directly or indirectly from bacteria, yeasts, mildew, virus, fungi, mold, or their spores, mycotoxins or other metabolic products.

NM-CA-TW1 (05/02)

Terrorism and War Exclusion

This endorsement further defines the terms "terrorism" and "war" and excludes loss due to either from your policy.

NYMI

Your Privacy and Its Protection

This endorsement memorializes the steps we will take to safeguard your personal information.

NY07

Mortgage Clause

This endorsement outlines the loss payable procedure when a mortgage company is listed in the Declarations.

PM1-CA-HO (Ed. 2)

California Amendatory Endorsement for Homeowners Policies

This endorsement alters some of the cancellation and non-renewal provisions of your policy form to adhere to current California insurance laws and regulations.

PM11 (Ed. 5)

Increased Deductible for Loss or Damage Caused by Tenants

This endorsement notes that, should a loss occur by deliberate act(s) by a present or past tenant of the property, the deductible will be increased to \$2,500. This endorsement is not applicable if the policy deductible stated in the Declarations is \$5,000.

PM17 (Ed. 2)

Loss Settlement Provision for California Residential Property Policies

This endorsement amends the loss settlement provision of your policy to provide you with an option to make a claim under this policy for loss or damage to buildings on an actual cash value basis.

PM18 (Ed. 1)

Trampoline Exclusion

This endorsement excludes coverage for any loss stemming from the use or presence of a trampoline on the insured premises.

PM19 (Ed. 1)

Swimming Pool Diving Board and Slide Exclusion

This endorsement excludes coverage for any loss stemming from the use or presence of a swimming pool slide, diving board, or similar structure on the insured premises.

PM20 (Ed. 2)

Inflation Guard

This endorsement automatically increases your dwelling coverage limit 3% annually to help the amount of coverage provided by your policy to keep pace with inflation. However, it is important that you periodically review the coverage provided by your policy as the amount and type of insurance you purchased is ultimately your decision. This includes ensuring that you have adequate coverage in the event of a large or total loss.

PM22 (Ed. 5)

Preferred Package Endorsement

This endorsement increases special limits of personal property.

PM3 (Ed. 4)

Occupancy Endorsement (Primary Residence Only)

This endorsement notes that, should your property become vacant or unoccupied, your policy will only provide coverage for the perils of fire or lightning, windstorm or hail (unless otherwise excluded), smoke, or volcanic eruption. No other coverage will be afforded by your policy until the property is no longer vacant or unoccupied.

PM34 (Ed. 1)

\$2,500 Sublimit for Late Wildfire Claim Reporting

This endorsement adds a special limit of coverage to your policy of \$2,500 total property and dwelling coverage for wildfire smoke, soot and ash damage not reported to us within forty-five (45) days.

PM4 (Ed. 1)

Satellite Dish Exclusion

This endorsement excludes coverage for satellite dishes, antennas, their components and mounting hardware.

POS3 (Ed. 1)

Preferred Theft Coverage

This endorsement enhances theft coverage in the policy form by including coverages such as losses caused by theft that occurs away from the residence premises.

Form No. PO16 (Ed. 2)

Ordinance or Law Coverage

This endorsement amends the loss settlement provision of your policy to include coverage, subject to your policy limits, for upgrades in building construction that are required due to building codes, laws or ordinances.

Form No. POS-HO (Ed. 2)

Personal Property Replacement Cost

This coverage amends the loss settlement provisions of your policy form to provide coverage for personal property (Coverage C) on a replacement cost basis. If this endorsement is not applied, personal property is settled on an actual cash value basis, with the deduction of depreciation.

Form No. PO14 (Ed. 3)

Limited Animal Liability Coverage

This endorsement limits the animal liability coverage provided by the policy. When optional animal liability coverage is purchased, your policy provides liability coverage for some animals, but excludes coverage for exotic or unusual pets, certain specified breeds of dogs and any animal known to be vicious or with a previous bite history.

Form No. PM7 (Ed. 3)

Copper Plumbing Agreement

When you applied for insurance, you indicated that 100% of the pressurized plumbing in your dwelling is constructed from copper plumbing. This endorsement excludes coverage for your plumbing and any loss stemming from your plumbing system if it is determined that 100% of the pressurized plumbing in your dwelling is not copper.

Form No. 438BFU (Ed. 2)

Lender's Loss Payable Endorsement

This endorsement amends loss payment provisions of your policy for the lienholder noted on your policy Declarations.

Form No. PM5 (Ed. 2)

Roof for Fire and Lightning Only Endorsement

This endorsement excludes coverage to the roof of your dwelling and interior damage due to the failure of the

roof caused by all perils except for fire and lightning.

Internal print codes:

CA-HO3(P)-POL (Ed. 3.2); CA-HO3(P)-END (Ed. 11)

INSURED NAME: ABRAHAM PIMENTEL
PRODUCER: B16501-ABRAHAM PIMENTEL

***** PLEASE READ CAREFULLY *****

New California Law 2013 CA AB 1804

Additional Notification on Policy Issues

Effective January 1, 2016, California Law requires an insurer to allow an applicant or policyholder to designate one additional person to receive notice of lapse, termination, expiration, nonrenewal, or cancellation of a policy for nonpayment of premium, as specified. The individual designated by the policyholder does not have any rights, whether as an additional insured or otherwise, to any benefits under the policy, other than the right to receive the notice of lapse, termination, expiration, nonrenewal, or cancellation for nonpayment of premium.

- The policyholder must ask the company to add a designated individual within 30 days from the date of mailing of this notice or it shall be conclusively presumed that you have not accepted this offer.
- The individual will be added to the policy to receive notice effective on the date the acceptance of this offer is received by us.
- It is the responsibility of the policyholder to notify the company of any changes and/or corrections to the designated individual's name and address.
- To remove or change a designated individual, the company must receive a request signed by the named insured.

To accept this offer, please sign and date below and return this page.

The undersigned acknowledges that the following individual will be added as a designated individual, requested by the policyholder, to receive notice (of lapse, termination, expiration, nonrenewal, or cancellation of a policy for nonpayment of premium, as specified).

Individual designated to receive notice:

Name: _____

Address: _____

City: _____ **State:** _____ **Zip Code:** _____

Signature: X _____ **Date:** _____

Named Insured (Signature Required)

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THE MCGRAW GROUP OF AFFILIATED COMPANIES

PRIVACY POLICY

The McGraw Group of Affiliated Companies (hereafter “The McGraw Group”) values you as a customer. We understand that the basis for our relationship is the trust you have placed in all of the affiliated McGraw Group companies. To help maintain that trust and to demonstrate our commitment to you and your privacy, The McGraw Group has adopted this privacy policy.

This privacy policy explains our promise to protect the privacy of nonpublic personal and financial information (NPFI) we obtain about you. It also lists:

- Types and sources of NPFI we may collect.
- Affiliates and non-affiliates affected by this policy.
- Your privacy options regarding the sharing of any NPFI we collect.

Our Promise to Protect Your Privacy

It is the policy of The McGraw Group and all of its affiliated companies to safeguard all NPFI we obtain from any source about you and our other customers. In accordance with this policy, we promise to:

- **Safeguard** any NPFI customers share with us.
- **Limit the collection and use** of our customers’ NPFI.
- **Permit only authorized employees and third-party entities**, who are trained in the proper handling of our customers’ NPFI, to have access to such information.
- **Not reveal** any NPFI about any of our customers to non-affiliated third parties. The only exception is for those entities to whom we must release NPFI in order to fulfill a request for services or a product by a customer, or to comply with law, government regulators or a court order.
- **Maintain control** of our customers’ NPFI. This is accomplished through the use of physical, electronic and procedural safeguards.
- **Attempt to maintain the accuracy** of our customers’ NPFI.
- **Protect** your NPFI, even if you cease to be our customer.
- **Never**, under any circumstances, sell our customers’ NPFI.

NPFI We Collect

The NPFI we collect about you comes from the following sources:

1. Information we receive from you on an application or other forms. This may include your name, phone number, home and e-mail addresses, driver’s license number, social security number, marital status and family member information.
2. Information about your transactions with us or our affiliates, such as your premium payment history; and
3. Information we receive from non-affiliated third parties when authorized by state law. Examples are:
 - Your driving record.
 - Your claims history.
 - Your credit history.
 - Home inspection report.

We only use this information to perform a service or provide a product that you have requested.

NPFI We May Share with Affiliates

We only disclose NPFI to affiliates when you request a specific service or product that requires such disclosure, or for marketing purposes to make you aware of other products and services we provide. We do not provide NPFI to any non-affiliated entities for marketing purposes.

The McGraw Group of Affiliated Companies

Affiliated Entities of The McGraw Group to Whom We May Share NPI

Under the terms of this privacy policy, an affiliated entity of The McGraw Group is any company that is under the direct and exclusive control of the The McGraw Company's and Western Service Contract Corp.'s common shareholders. This includes:

- Western Service Contract Corporation;
- Pacific Specialty Insurance Company;
- Pacific Specialty Property and Casualty Company;
- The McGraw Company dba McGraw Insurance Services, dba McGraw Specialty Insurance Services, and dba McGraw Commercial Insurance Services;
- Pacific Loan Administrators; and
- Rockridge Finance Corporation.

Non-Affiliated Third Parties to Whom We May Share NPI

We may obtain or share NPI with the following non-affiliated third party entities in order to provide a product you have requested:

- Companies that provide information needed to underwrite or otherwise process, perform or provide a service or product that you have requested, but only when authorized by state law. This may include:
 - Companies that provide information about your driving record.
 - Companies that provide credit history.
 - Companies that provide information about your claims history with both affiliated and non-affiliated entities.
- Non-affiliated entities when:
 - Permitted by law.
 - Required by court order.
 - Requested by government regulators for statistical reporting or state/federal compliance matters.

Our Security Procedures

We protect the privacy of your NPI through a combination of physical, electronic and procedural security safeguards. In total, these safeguards allow only trained and authorized employees and third party entities, such as law enforcement, to have direct access to any NPI that we collect and maintain about you.

Website

The McGraw Group does not collect any online information about you other than the NPI you provide us through your producer. IP addresses are never stored on our server and cookies are never sent from our server to the hard drive of any Website user. Our secure server uses a Secure Sockets Layer to safeguard all NPI received via online quotes and purchases. All NPI is protected using 128-bit encryption.

Your Privacy Options

As noted in this policy, The McGraw Group does not share your NPI with any affiliated or non-affiliated entities, except as provided by law or as authorized by you in order to perform a service or provide a product that you have requested. Since there are no marketing agreements or other arrangements in place where we share your NPI with non-affiliated third party entities, it is not necessary for you to "opt-out" of our sharing your NPI.

You have the right to review and correct any of your NPI on file with our company. Should you wish to review this information, please fax our Privacy Coordinator at (650) 780-4848 or write to us at:

The McGraw Group of Affiliated Companies
3601 Haven Avenue
Menlo Park, CA 94025-1064

We evaluate our privacy practices frequently and are interested in any experience you have that is contrary to this privacy policy. Should you have any questions, concerns, or suggestions about this policy, please do not hesitate to let us know.

This privacy policy can also be viewed on our Websites at www.pacificspecialty.com, www.psic-onespot.com, www.mcgrawgroup.com, www.ridewithmcgraw.com and www.mcgrawpowersports.com.

Thank you for placing your trust and confidence in us.



**Pacific Specialty Insurance Company
CALIFORNIA PREFERRED HOMEOWNERS POLICY**

Policy Form No.: HO-3 (Ed. 7.2)

Policy Form No.: HO-3 (Ed. 7.2)

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AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the residence premises. "We," "us" and "our" refer to the Company providing this insurance. In addition, certain words and phrases are defined as follows:

- "Actual Cash Value" means the amount it would cost to repair, rebuild, or replace the item with like kind and quality, less a fair and reasonable deduction for physical depreciation based upon its condition at the time of loss.
- "Bodily Injury" means bodily harm, sickness or disease, including required care, loss of services, and death resulting therefrom.
- "Business" means any full-time or part-time trade, profession, occupation, or activity engaged in for monetary or other compensation. This definition includes the providing of home day care services to a person other than an insured. Mutual exchange of home day care services or the providing of home day care services by an insured to a relative of an insured is not considered a business.

"Insured" means you and the following residents of the residence premises:

- Your relatives;
- Any Other persons under the age of 21 who are in the care of any person named above;
- Under Section II, "insured" also means:
 - With respect to animals to which this policy applies, any person or organization legally responsible for these animals which are owned by you

- or any person included in 4a or 4b above. A person or organization using or having custody of these animals in the course of any business or without permission of the owner is not an insured;
- With respect to any vehicle to which this policy applies:
 - Persons while engaged in your employment or the employment of any person included in 4a or 4b above; or
 - Any other person using the vehicle on an insured location with your permission.

"Insured location" means

- The residence premises; or
- The part of any other premises, other structures and grounds used by you as a residence and:
 - Which is shown in the Declarations; or
 - Which is acquired by you during the policy period for your use as a residence;

Any premises used by you in connection with a premises in 5a or 5b above;

- Any part of a premises not owned by an insured and where an insured is temporarily residing;
- Vacant land, other than farm land, owned by or rented to an insured; Individual or family cemetery plots or burial vaults of an insured;
- Land and owned by or rented to an insured on which a one or two family dwelling is being built as a residence for an insured;
- Any part of a premises occasionally rented to an insured for other than business purposes.

"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

"Property damage" means physical injury to, destruction of, or loss of use of tangible property.

"Residence employee" means:

- An employee of an insured whose duties are related to the maintenance or use of the residence premises, including household or domestic services; or
- One who performs similar duties elsewhere not related to the business of an insured.

"Residence premises" means the one family dwelling, other structures, and grounds where you reside and which is shown as the "residence premises" in the Declarations.

10. "Unoccupied" means neither you nor your guest has slept overnight in the residence premises for a period of 30 consecutive days immediately prior to the loss. If the exact date of loss cannot be determined, the date of loss shall be the date the damage is discovered.

SECTION I - LOSS DEDUCTIBLE

Under Section I of the policy, we cover only that part of the loss over the deductible stated in the Declarations. With respect to loss to property covered under this policy, the deductible shall apply separately to each occurrence. The deductible does not apply to Coverage D - Loss of Use.

SECTION I - PROPERTY COVERAGES

COVERAGE A - Dwelling

We cover:

- The dwelling on the residence premises shown in the Declarations used principally as a private residence, including structures attached to the dwelling;
- Materials and supplies located on or adjacent to the residence premises for use in the construction, alteration or repair of the dwelling or other structures on the residence premises.

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

COVERAGE B - Other Structures

We cover other structures on the residence premises separated from the dwelling by clear space. This coverage includes:

- Structures connected to the dwelling by only a fence, utility line, or similar connection;
- Septic tanks, swimming pools, fences, driveways, and walks on the residence premises.

We do not cover other structures:

- Used in whole or in part for any business; or
- Rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

This coverage does not apply to land, including land on which other structures are located.

COVERAGE C - Personal Property

We cover personal property owned or used by an insured. Subject to the limits in the Declarations and provisions of this policy.

Our limit of liability for personal property usually located in, at or on an insured's residence, other than the residence premises, is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. Personal property in a newly acquired principal residence is not subject to this limitation for 30 days from the time you begin to move the property there.

Pacific Specialty Insurance Company CALIFORNIA PREFERRED HOMEOWNERS POLICY

Policy Form No.: HO-3 (Ed. 7.2)

<p>Special Limits of Liability. These limits do not increase the Coverage C limit of Liability, and are subject to the terms and conditions of the entire policy, including Property Not Covered immediately below. The special limit for each following numbered category is the total limit for each loss for all property in that numbered category.</p> <ol style="list-style-type: none"> 1. \$100 on money, numismatic property, bank notes, bullion, gold other than goldware, silver other than silverware, platinum, coins and medals. 2. \$500 on property, on the residence premises, used at any time or in any manner for any business purpose. 3. \$250 on property, away from the residence premises, used at any time or in any manner for any business purpose. 4. \$500 on securities, accounts, deeds, evidence of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. 5. \$500 on watercraft, including their trailers, furnishings, equipment and outboard engines or motors. 6. \$500 on trailers not used with watercraft. 7. \$500 on grave markers. 8. \$500 for loss by theft of jewelry, watches, furs, precious and semi-precious stones. 9. \$500 for loss by theft of silverware, goldware, pewter and platinum, including: <ol style="list-style-type: none"> a. Silver or gold-plated ware, plateware, flatware, hollowware, tea sets, trays, trophies and the like; b. Other utilitarian items made of or including silver, gold, pewter, or platinum. 10. \$500 for loss by theft of firearms. 11. \$500 on computers and electronic data processing equipment. 12. \$500 on antiques, fine arts, paintings and similar items of rarity, antiquity or irreplaceability, memorabilia, souvenirs, collectible items of every kind, including but not limited to baseball and other card collections and similar articles whose age or collectible demand contributes to their value. 13. \$500 on loss by theft of rugs, carpets, or other woven or knit floor coverings or wall hangings. 14. \$500 on all photographic and video equipment including but not limited to cameras, dark room equipment, video recorders, players, editors, and related equipment. 15. \$500 on all glassware and crystal, including: <ol style="list-style-type: none"> a. Decanters, goblets, tea sets, trays, trophies and the like; b. Other items made of or including crystal. 16. \$500 for loss to electronic apparatus, while not in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is designed to be operated primarily by power from the electrical system of the vehicle or conveyance. Electronic apparatus includes: <ol style="list-style-type: none"> a. Accessories or antennas; 	<p>But, we do cover the cost of blank or unexposed records and media</p> <ol style="list-style-type: none"> 9. Credit cards or fund transfer cards except, as provided in Additional Coverages 6. 10. Business property in storage or held as a sample or for sale or delivery after the sale. 11. Business property pertaining to a business actually conducted on the residence premises; 12. Business property away from the residence premises; 13. Farm personal property. 14. Controlled Substances 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. With the exception of marijuana, this exclusion does not apply to prescription drugs possessed for the legitimate use by an health care professional. Marijuana, medicinal or otherwise, is not covered under any insured following the lawful orders of a licensed health care professional. Marijuana, medicinal or otherwise, is not covered under any circumstances. 15. Marijuana or cannabis plants, or any items used to grow or cultivate marijuana or cannabis plants. 16. Watercraft that are more than 20 feet in length or motorized with more than a 15 horsepower engine. <p>COVERAGE D – Loss of Use The limit of liability for Coverage D is listed in the Declarations.</p> <ol style="list-style-type: none"> 1. If a loss covered under this policy makes that part of the residence premises where you reside uninhabitable, we cover: <p>Additional Living Expense, meaning any reasonable and necessary increase in living expenses incurred by you so that you can maintain your normal standard of living.</p> <p>Payment shall be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for you to settle elsewhere.</p> 2. If a civil authority prohibits you from use of the residence premises as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, we cover the Additional Living Expense for a period not exceeding two (2) weeks during which use is prohibited. <p>The periods of time above are not limited by expiration of this policy.</p> <p>We do not cover loss or expense due to cancellation of a lease or agreement.</p> <p style="text-align: center;">ADDITIONAL COVERAGES</p> <p>THE FOLLOWING ADDITIONAL COVERAGES ARE SUBJECT TO ALL THE TERMS, PROVISIONS, EXCLUSIONS AND CONDITIONS OF THIS POLICY.</p>	<p>Debris Removal. We will pay your reasonable expense for the removal of:</p> <ol style="list-style-type: none"> a. Debris of covered property if a Peril Insured Against causes the loss; or b. Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building. <p>This expense is included in the limit of liability of Coverage A. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability of Coverage A, an additional 5% of the Coverage A limit of liability is available for debris removal expense.</p> <p>We will also pay your reasonable expense for the removal of fallen trees from the residence premises if the fallen tree damages covered property and a Peril Insured Against under Coverage C causes the tree to fall. Our limit of liability for this coverage will not be more than \$500 in the aggregate for any one loss.</p> <p>Debris removal coverage does not include asbestos testing, abatement and/or removal. Water and moisture are not debris for purposes of this policy.</p> <p>Reasonable Repairs. We will pay the reasonable cost incurred by you for reasonable and necessary repairs made solely to protect covered property from further damage provided coverage is ultimately afforded for the loss. We will not pay for repairs or damage caused by an excluded or non-covered peril. We will not pay for repairs made as a preventative measure prior to an actual loss. This coverage does not increase the limit of liability that applies to the property being repaired. This coverage does not relieve you or your duties, in case of loss to covered property, as set forth in Section 1 – Condition 2.c.</p> <p>Trees, Shrubs and Other Plants. We cover trees, shrubs, plants or lawns, on the residence premises for loss caused by the following perils, fire or lightning, explosion, riot or civil commotion, aircraft, vehicles not owned or operated by a resident of the residence premises, vandalism or malicious mischief, or theft.</p> <p>The limit of liability for this coverage shall not exceed 5% of the limit of liability that applies to Coverage A for all trees, shrubs, plants and lawns, nor more than \$500 for any one tree, shrub or plant. We do not cover property grown for business purposes. We also do not cover cannabis plants or marijuana plants.</p> <p>This coverage is additional insurance.</p> <p>Fire Department Service Charge. We will pay up to \$250 for your liability assumed by contract or agreement for fire department charges incurred</p>
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<p>when the fire department is called 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.</p> <p>5. Property Removed. We insure covered property removed from a premises endangered by a Peril Insured Against. While removed, the property is covered for direct loss from a peril insured against for no more than 30 days. This coverage does not change the limit of liability that applies to the property removed.</p> <p>6. Credit Card, Fund Transfer Card, Forgery and Counterfeit Money. We will pay up to \$500 for: a. The legal obligation of an insured to pay because of the theft or unauthorized use of credit cards issued to or registered in an insured's name; b. Loss resulting from theft or unauthorized use of a fund transfer card used for deposit, withdrawal or transfer of funds, issued to or registered in an insured's name; c. Loss to an insured caused by forgery or alteration of any check or negotiable instrument; and d. Loss to an insured through acceptance in good faith of counterfeit United States or Canadian paper currency.</p> <p>We do not cover use of a credit card or fund transfer card by a resident of the residence premises, a person who has been entrusted with the credit card or fund transfer card, or any person if an insured has not complied with all terms and conditions under which the credit card or fund transfer card is issued.</p> <p>We do not cover loss arising out of business pursuits or dishonesty of an insured.</p> <p>All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.</p> <p>This coverage is additional insurance. No deductible applies to this coverage.</p> <p>7. Collapse. We insure for the direct physical loss to covered property caused by the actual collapse of the entire building or any part of a building structure. This coverage does not apply to property damage caused by collapse of pipes, casings, pilings or stilts.</p> <p>Collapse means the sudden and actual falling down to the ground of a building or any part of a</p>	<p>building. Collapse does not include settling, cracking, shrinking, bulging, expansion, sagging or bowing of a building or any part of a building. A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse. A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.</p> <p>For coverage to apply, the collapse of an entire building or any part of a building must be caused by one or more of the following: a. Fire or lightning, windstorm or hail, explosion, riot or civil commotion, aircraft including self-propelled missiles and spacecraft, vehicles, vandalism or malicious mischief, theft, falling objects, freezing or volcanic eruption; b. Hidden decay of the building structure, unless the presence of such decay is known or should be known to an insured prior to collapse; c. Hidden insect or animal damage, unless the damage is known or should be known to an insured prior to collapse; d. Weight of people, animals, equipment, or personal property; e. Weight of snow, ice, or sleet which collects on a roof.</p> <p>Loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under items b, c, d, or e above, unless the loss is a direct result of the collapse of a building.</p> <p>This coverage does not increase the limit of liability applying to the damaged covered property.</p> <p>This coverage does not apply to land, including land on which the dwelling is located.</p> <p>8. Loss Assessment. We will pay up to \$1,000, or a higher limit if specified in the Declarations for loss assessments, for your share of any loss assessment charged during the policy period against all property owners by a corporation or association of property owners. This only applies when the assessment is made as a result of direct loss to the property, owned by all property owners collectively, caused by a Peril Insured Against under Coverage A – Dwelling, other than 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 of the residence premises. This coverage does not increase the limit of liability.</p> <p>We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.</p>	<p>COVER A – DWELLING and COVER B – OTHER STRUCTURES We insure for sudden and accidental direct physical loss to property described in Coverages A and B except for damage caused by:</p> <ol style="list-style-type: none"> 1. Collapse, other than as provided in Additional Coverage 7; Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This exclusion applies only while the dwelling is unoccupied or being constructed unless you have used reasonable care to: <ol style="list-style-type: none"> Maintain heat in the building; Shut off the water supply and drain the system or appliances of water; Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a: <ol style="list-style-type: none"> Fence, pavement, patio or swimming pool; Foundation, retaining wall or bulkhead; or Pier, wharf or dock; Theft in or to a dwelling under construction, or of materials or supplies for use in the construction unless the dwelling is occupied. Vandalism, malicious mischief or breakage of glass and safety glazing materials if the dwelling is unoccupied at the time of loss. Continuous or repeated seepage or leakage of water or steam over a period of weeks, months or years from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance, whether the continuous or repeated seepage or leakage of water or steam was known to the insured or not. Theft in the dwelling is unoccupied at the time of loss. 	<p>COVER C – PERSONAL PROPERTY We insure for sudden and accidental direct physical loss to the property described in Coverage C cause by a peril listed below unless the loss is excluded in Section I – Exclusions.</p> <ol style="list-style-type: none"> Losses excluded under Section I – Exclusions. Windstorm or hail. This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening. This peril includes loss to watercraft and its trailers, furnishings, equipment, and outdoor motors, only while inside a fully enclosed building. Explosion. Riot or civil commotion. Aircraft, including self-propelled missiles and spacecraft. Vehicles. This peril does not include loss caused to a fence, driveway or walk caused by a vehicle owned or operated by a resident of the residence premises. Smoke, meaning sudden and accidental damage from smoke. This peril does not include loss caused by smoke from agricultural smudging or industrial operations. Vandalism or malicious mischief. This peril does not include loss to property in, or on the residence premises if the dwelling was unoccupied at the time of loss. Theft. This peril does not include loss caused by theft: <ol style="list-style-type: none"> Committed by: <ol style="list-style-type: none"> an insured; a tenant of the residence premises; or an employee of a tenant or resident of a tenant's household. (1) (2) (3)
<p>SECTION I – PERILS INSURED AGAINST</p>			

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<p>b. In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is occupied, or</p> <p>c. While the residence premises is rented to other than an insured, or:</p> <ol style="list-style-type: none"> (1) Money, bank notes, bullion, gold, goldware, silver, silverware, pewterware, platinum, coins and medals; (2) Securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, passports, tickets and stamps; or (3) Jewelry, watches, furs, precious and semiprecious stones. <p>This peril does not include loss caused by theft that occurs away from the residence premises, including but not limited to property within a vehicle, watercraft, trailer or camper. This peril does not provide coverage for lost, misplaced or missing property or mysterious disappearance of property. This peril does not include loss caused by theft that occurs to property in or on the residence premises by a relative of an insured, a tenant, guest, invitee or licensee.</p> <p>Falling objects. This peril does not include loss to property contained in the building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.</p> <p>Weight of ice, snow or sleet which causes damage to a building or property contained in the building.</p> <p>Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.</p> <p>This peril does not include loss:</p> <ol style="list-style-type: none"> a. To the appliance or system from which the water or steam escaped; b. Caused by or resulting from freezing, except as provided in the peril of freezing below; c. On the residence premises caused by accidental discharge or overflow which occurs off the residence premises; d. If the dwelling is unoccupied at the time of the loss. <p>Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water. We do not cover loss caused by or resulting from freezing under this peril.</p>	<p>14. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance.</p> <p>This peril does not include loss on the residence premises while the dwelling is unoccupied, unless you have used reasonable care to:</p> <ol style="list-style-type: none"> a. Maintain heat in the building; or b. Shut off the water supply and drain the system and appliances of water. <p>15. Sudden and accidental damage from artificially generated electrical current. This peril does not include electronic devices, including but not limited to audio equipment such as stereos, MP3 players and cellular phones, video equipment such as televisions, DVD players and gaming devices, computers, printers, and photography equipment.</p> <p>16. Volcanic Eruption other than loss caused by earthquake, land shock waves or tremors.</p>	<p>settling, shrinking, sinking, rising or shifting; Unless direct loss:</p> <ol style="list-style-type: none"> a. By fire; b. By explosion other than the explosion of a volcano; or c. To glass or safety glazing material which is part of a building, storm door or storm window by breakage; <p>Ensues and then we will pay only for the ensuing loss.</p> <p>3. Water Damage, meaning any loss caused by, resulting from, contributed to or aggravated by:</p> <ol style="list-style-type: none"> a. Flood, surface water, waves, tidal water, overflow of a body of water or spray from any of these, whether or not driven by wind; b. Water which backs up through sewers or drains; c. Water which overflows from a sump or sump pump; or d. Water below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure. <p>Direct loss by fire, explosion or theft resulting from water damage is covered.</p> <p>4. Power Interruption, meaning the interruption of power or other utility service if the interruption takes place off the residence premises. If a Peril Insured Against ensues on the residence premises, we will pay only for loss caused by the ensuing peril.</p> <p>5. Neglect, meaning neglect of the insured to use all reasonable means to save and preserve property at and after the time of a loss.</p> <p>6. 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.</p> <p>7. Nuclear Hazard, to the extent set forth in the Nuclear Hazard Clause of Section I - Conditions.</p> <p>8. Intentional Loss, meaning any loss arising out of any act committed by or at the direction of an insured.</p> <p>B. Pipes; Pipes including Concrete Slabs Enclosing Pipes. We do not insure the cost of tearing out,</p>
<p>10. Weight of ice, snow or sleet which causes damage to a building or property contained in the building.</p> <p>11. Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.</p> <p>This peril does not include loss:</p> <ol style="list-style-type: none"> a. To the appliance or system from which the water or steam escaped; b. Caused by or resulting from freezing, except as provided in the peril of freezing below; c. On the residence premises caused by accidental discharge or overflow which occurs off the residence premises; d. If the dwelling is unoccupied at the time of the loss. <p>Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water. We do not cover loss caused by or resulting from freezing under this peril.</p>	<p>1. Insurable Interest and Limit of Liability. Even if more than one person has an insurable interest in the property covered, we will not be liable:</p> <ol style="list-style-type: none"> a. To any insured for more than the amount of an insured's interest at the time of loss; or b. For more than the applicable limit of liability; whichever is less. <p>2. Your Duties After Loss. In case of a loss to which this insurance may apply, we have no duty to provide coverage under this policy if you fail to comply with the following duties and your failure</p>	<p>repair and/or replacing any pipes including concrete slabs enclosing pipes.</p> <p>C. We do not cover any loss, resulting directly or indirectly from damage done to your property, by you or your family member or anyone having a financial interest in your property if the or property damage is done with malicious intent which is expected or intended to cause property damage.</p> <p>D. We do not cover settling, cracking, shrinking, bulging or expansion of pavements, patios, foundations, walls, floors, roofs or ceilings.</p> <p>E. We do not insure for loss resulting from any manufacturing, production or operation, engaged in:</p> <ol style="list-style-type: none"> 1. The growing of plants; or 2. The manufacture, production, operation or processing of chemical, biological, animal or plant materials. <p>F. We do not insure for loss to property described in Coverages A and B caused by any of the following. However, any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.</p> <ol style="list-style-type: none"> 1. Weather conditions, including rainfall. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph A, above to produce the loss; 2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body; 3. Faulty, inadequate or defective: <ol style="list-style-type: none"> a. Planning, zoning, development surveying, siting; b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, c. Materials used in repair, construction, renovation or remodeling; or d. Maintenance. <p>Of part or all of any property whether on or off the residence premises.</p>
<p>SECTION I – CONDITIONS</p>		

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<p>16. 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 loss payment will be adjusted based on the amount you received for the recovered property.</p>	<p>caused was not expected or intended, including but not limited to assault, battery or sexual assault; Arising out of the violation of a criminal law or local or municipal ordinance, committed by or with the knowledge or consent of an insured. This exclusion applies whether or not an insured is charged or convicted. Arising out of the failure to supervise or negligent supervision by an insured of any person. Arising out of business pursuits of any insured including the rental or holding for rental of any part of any premises by any insured. This exclusion does not apply to:</p> <p>(1) Activities which are usual to non-business pursuits; or</p> <p>(2) The rental or holding for rental of an insured location.</p> <p>(a) On an occasional basis if used only as a residence;</p> <p>(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</p> <p>(c) In part, as an office, school, studio or private garage.</p> <p>Arising out of the rendering of or failure to render professional services;</p> <p>(1) Owned by any insured; or</p> <p>(2) Rented to any insured; or</p> <p>(3) Rented to others by any insured;</p> <p>that is not an insured location;</p> <p>Arising out of the:</p> <p>(1) ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including any trailers, owned or operated by or rented or loaned to an insured;</p> <p>(2) entrapment by any insured of a motor vehicle or any other motorized land conveyance to any person; or</p> <p>(3) Vicarious parental liability for the actions of a child or minor using conveyance excluded in paragraph (1) or (2) above.</p> <p>This exclusion does not apply to:</p>	<p>(1) a trailer not towed by or carried on a motorized land conveyance.</p> <p>(2) a motorized land conveyance designed for recreational use off public roads not subject to motor vehicle registration and:</p> <p>(a) Not owned by an insured; or</p> <p>(b) Owned by an insured, but only on an insured location.</p> <p>(3) a motorized golf cart when used to play golf on a golf course.</p> <p>(4) a motorized land conveyance designed for assisting handicapped or for the maintenance of an insured location which is:</p> <p>(a) not designed for travel on public roads; and</p> <p>(b) not subject to motor vehicle registration.</p> <p>Arising out of:</p> <p>(1) The ownership, maintenance, use loading or unloading of a watercraft equipped with more than 25 horsepower or greater than 26 feet in length, whether owned, rented or borrowed;</p> <p>(2) The entrapment by an insured of any watercraft to any person; or</p> <p>(3) Vicarious parental liability for the actions of a child or minor using any watercraft.</p> <p>Arising out of:</p> <p>(1) The ownership, maintenance, use, loading or unloading of an aircraft; or</p> <p>(2) The entrapment by an insured of an aircraft to any person; or</p> <p>(3) Vicarious parental liability for the actions of a child or minor using an aircraft.</p> <p>An aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo. 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.</p> <p>Arising out of Earth Movement.</p> <p>Earth Movement includes any loss</p>
<p>SECTION II – LIABILITY COVERAGES</p> <p>COVERAGE E – Personal Liability If a claim is made or a suit is brought against an insured for damages because of bodily injury or property damage caused by an occurrence to which this coverage applies, we will:</p> <p>1. Pay up to our limit of liability for the damages for which an insured is legally liable; and</p> <p>2. Provide a defense at our expense by counsel of our choice, even if the allegations are groundless, false or fraudulent. We may make any investigation and settle any claim or suit that we decide is inappropriate.</p> <p>Our obligation to defend any claim or suit ends when the amount we pay for damages resulting from the occurrence equals our limit of liability.</p> <p>COVERAGE F – Medical Payments to Others We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing bodily injury. Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of the residence premises except residence employees. As to others, this coverage applies only:</p> <p>1. To a person on the insured location with the permission of an insured; or</p> <p>2. To a person off the insured location, if the bodily injury:</p> <p>a. Arises out of a condition on the insured location or the ways immediately adjoining;</p> <p>b. Is caused by the activities of an insured;</p> <p>c. Is caused by a residence employee in the course of the residence employment by an insured; or</p> <p>d. Is caused by an animal owned by or in the care, custody or control of an insured.</p>	<p>(1) Arising out of the rendering of or failure to render professional services;</p> <p>(1) Owned by any insured; or</p> <p>(2) Rented to any insured; or</p> <p>(3) Rented to others by any insured;</p> <p>that is not an insured location;</p> <p>Arising out of the:</p> <p>(1) ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including any trailers, owned or operated by or rented or loaned to an insured;</p> <p>(2) entrapment by any insured of a motor vehicle or any other motorized land conveyance to any person; or</p> <p>(3) Vicarious parental liability for the actions of a child or minor using conveyance excluded in paragraph (1) or (2) above.</p> <p>This exclusion does not apply to:</p>	<p>1. Coverage E – Personal Liability and Coverage F – Medical Payments to Others do not apply to bodily injury or property damage:</p> <p>a. If an insured commits an act which is expected or intended, there is no coverage even if the harm or injury</p>
<p>SECTION II – EXCLUSIONS</p> <p>1. Coverage E – Personal Liability and Coverage F – Medical Payments to Others do not apply to bodily injury or property damage:</p> <p>a. If an insured commits an act which is expected or intended, there is no coverage even if the harm or injury</p>	<p>Arising out of:</p> <p>(1) The ownership, maintenance, use loading or unloading of a watercraft equipped with more than 25 horsepower or greater than 26 feet in length, whether owned, rented or borrowed;</p> <p>(2) The entrapment by an insured of any watercraft to any person; or</p> <p>(3) Vicarious parental liability for the actions of a child or minor using any watercraft.</p> <p>Arising out of:</p> <p>(1) The ownership, maintenance, use, loading or unloading of an aircraft; or</p> <p>(2) The entrapment by an insured of an aircraft to any person; or</p> <p>(3) Vicarious parental liability for the actions of a child or minor using an aircraft.</p> <p>An aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo. 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.</p> <p>Arising out of Earth Movement.</p> <p>Earth Movement includes any loss</p>	<p>1. Coverage E – Personal Liability and Coverage F – Medical Payments to Others do not apply to bodily injury or property damage:</p> <p>a. If an insured commits an act which is expected or intended, there is no coverage even if the harm or injury</p>
<p>13. No Benefit to Bailee. We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision or this policy.</p> <p>14. Nuclear Hazard Clause.</p> <p>a. “Nuclear Hazard” means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.</p> <p>b. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against in Section I.</p> <p>c. This policy does not apply under Section I to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.</p> <p>15. Volcanic Eruption Period. One or more volcanic eruptions that occur within a 72 hour period will be considered as one volcanic eruption.</p>	<p>Arising out of:</p> <p>(1) The ownership, maintenance, use loading or unloading of a watercraft equipped with more than 25 horsepower or greater than 26 feet in length, whether owned, rented or borrowed;</p> <p>(2) The entrapment by an insured of any watercraft to any person; or</p> <p>(3) Vicarious parental liability for the actions of a child or minor using any watercraft.</p> <p>Arising out of:</p> <p>(1) The ownership, maintenance, use, loading or unloading of an aircraft; or</p> <p>(2) The entrapment by an insured of an aircraft to any person; or</p> <p>(3) Vicarious parental liability for the actions of a child or minor using an aircraft.</p> <p>An aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo. 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.</p> <p>Arising out of Earth Movement.</p> <p>Earth Movement includes any loss</p>	<p>1. Coverage E – Personal Liability and Coverage F – Medical Payments to Others do not apply to bodily injury or property damage:</p> <p>a. If an insured commits an act which is expected or intended, there is no coverage even if the harm or injury</p>



Pacific Specialty Insurance Company CALIFORNIA PREFERRED HOMEOWNERS POLICY

Policy Form No.: HO-3 (Ed. 7.2)

<p>caused by, resulting from, contributed to, or aggravated by earthquake, including land shock waves or tremors before, during or after a volcanic eruption, landslide, mine or wind subsidence, mudflow, earth expanding, contracting, settling, shrinking, sinking, rising or shifting, or erosion, a volcanic blast or airborne shockwaves, ash, dust or particulate matter, or lava flow. However, we insure ensuing direct loss due to fire or explosion unless another exclusion applies.</p> <p>1. Arising out of the transmission of a communicable disease by an insured.</p> <p>m. Arising out of sexual molestation, physical, or mental abuse.</p> <p>n. Arising out of the wrongful entry, eviction, or other invasion of the right to private occupancy.</p> <p>o. Arising out of the use, sale, manufacture, delivery, transfer or possession by any insured 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. This exclusion includes any liability arising out of medical marijuana.</p> <p>p. Arising out of or in any way connected with discrimination, harassment, abuse or wrongful termination on account of race, color, religion, sex, sexual orientation, age, marital status, national origin or in any way connected with a violation of any state or federal civil rights law.</p> <p>q. Arising out of any contamination and/or pollutant.</p>	<p>control, removal, tearing down, demolition, disposal, treatment, decontamination, clean-up, containment, detoxification or neutralizing of pollutant(s), or the restoration, construction or replacement of property contaminated by a pollutant(s).</p> <p>(3) The clean-up or the removal of debris of pollutant(s) or (4) Any fines, penalties, compensatory damages, punitive damages or any other damages, awards or settlements adjudged against an insured by any civil or judicial body or board of arbitration, nor any sums which an insured shall voluntarily agree to pay to any third party(ies), nor any legal fees or other costs of defense of legal actions, claims, or proceedings and appeals therefrom.</p>	<p>by any insured under any:</p> <p>(1) workers' or workmen's compensation law;</p> <p>(2) non-occupational disability law, or</p> <p>(3) occupational disease law;</p> <p>e. Bodily Injury or Property Damage for which any insured under this policy:</p> <p>(1) is also an insured under a nuclear energy liability policy; or</p> <p>(2) would be insured but for its termination upon exhaustion of its limit of liability.</p> <p>A nuclear energy liability policy is one issued by:</p> <p>(1) American Nuclear Insurers;</p> <p>(2) Mutual Atomic Energy Liability Underwriters;</p> <p>(3) Nuclear Insurance Association of Canada; or any of their successors, or</p> <p>f. Bodily Injury to you or insured within the meaning of part a. or b. of definition 4 "insured"; or</p> <p>g. Punitive or exemplary damages, or statutorily imposed fines or multipliers regardless of any other provision of this policy.</p> <p>3. Coverage F – Medical Payments to Others, does not apply to bodily injury:</p> <p>a. To a residence employee if the bodily injury:</p> <p>(1) Occurs off the insured location; and</p> <p>(2) Does not arise out of or in the course of the residence employee's employment by an insured;</p> <p>b. To any person eligible to receive benefits:</p> <p>(1) Required to be provided; or</p> <p>(2) Voluntarily provided;</p> <p>under any:</p> <p>(1) Workers' or workmen's compensation law;</p> <p>(2) Non-occupational disability law; or</p> <p>(3) Occupational disease law;</p> <p>c. From any:</p> <p>(1) Nuclear reaction;</p> <p>(2) Nuclear radiation; or</p> <p>(3) Radioactive contamination, all whether controlled or uncontrolled or however caused; or</p> <p>(4) Any consequence of any of these.</p> <p>d. To any person other than a residence employee of an insured, residing on any part of the insured location.</p>	<p>judgment which does not exceed the limit of liability that applies.</p> <p>e. Prerequisite interest awarded against an insured on that part of the judgment we pay subject to the policy limits.</p> <p>2. First Aid Expenses. We will pay expenses for first aid to others incurred by an insured for bodily injury covered under this policy. We will not pay for first aid to you or any other insured.</p> <p>3. Damage to Property of Others. We will pay, on a replacement cost basis up to \$500 per occurrence for property damage to property of others caused by an insured.</p> <p>We will not pay for property damage:</p> <p>a. To the extent of any amount recoverable under Section I of this policy;</p> <p>b. Caused intentionally by an insured;</p> <p>c. To property owned by or rented to an insured, a tenant of an insured or a resident of the residence premises; or</p> <p>d. Arising out of:</p> <p>(1) Business pursuits;</p> <p>(2) Any act or omission in connection with a premises owned, rented or controlled by an insured, other than the insured location, or</p> <p>(3) The ownership, maintenance, or use of aircraft, watercraft or motor vehicles or all other motorized land conveyances.</p> <p>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.</p> <p>4. Loss Assessment. We will pay up to \$1,000 for your share of any loss assessment charged during the policy period against all unit owners by a corporation or association of property owners, when the assessment is made as a result of:</p> <p>a. Each occurrence to which Section II of this policy would apply;</p> <p>b. Liability for each act of a director, officer or trustee in the capacity as a director, officer or trustee, provided:</p> <p>(1) The director, officer or trustee is elected by the members of a corporation or association of property owners; and</p> <p>(2) The director, officer or trustee serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.</p> <p>This coverage applies only to loss assessments charged against you as owner or tenant of the residence premises.</p> <p>We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.</p>
<p>This policy does not provide coverage for any loss, damage, cost, claim, expense, bodily injury, property damage or medical payments arising from or in any way involving, directly or indirectly any of the following:</p> <p>(1) Actual, alleged or threatened release, discharge, escape or dispersal of pollutant(s) (as defined hereinafter), all whether direct or indirect, proximate or remote, sudden, accidental or gradual;</p> <p>(2) Any increase in loss, damage or expense arising out of the enforcement, direction or request of any governmental or civil authority regulating the test for, monitoring, prevention,</p>	<p>2. Coverage E – Personal Liability, does not apply to:</p> <p>a. Liability:</p> <p>(1) For your share of any loss assessment charged against all members of an association of property owners;</p> <p>(2) Under any other contract or agreement except those written contracts:</p> <p>(a) that directly relate to the ownership, maintenance or use of an insured location; or</p> <p>(b) where the liability of others is assumed by the insured prior to an occurrence; unless excluded in (1) above or elsewhere in this policy</p> <p>b. Property damage to property owned by any insured;</p> <p>c. Property damage to property rented to, occupied, used by or in the care of any insured;</p> <p>d. Bodily Injury to any person eligible to receive any benefits:</p> <p>(1) required to be provided; or</p> <p>(2) voluntarily provided;</p>	<p>SECTION II – ADDITIONAL COVERAGES</p> <p>We cover the following in addition to the limits of liability:</p> <p>1. Claim Expenses. We pay</p> <p>a. Expenses incurred by us and costs taxed against an insured in any suit we defend;</p> <p>b. Premiums on bonds required in a suit defended by us, but not for bond amounts greater than the limit of liability for Coverage E. We are not obligated to apply for or furnish any bond;</p> <p>c. Reasonable expenses incurred by an insured at our request, including actual loss of earnings (but not loss of other income) up to \$50 per day, for assisting us in the investigation or defense of a claim or suit;</p> <p>d. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the</p>	<p>Exclusions f, g, h, and i, do not apply to bodily injury to a residence employee arising out of and in the course of the residence employee's employment by an insured.</p> <p>For the purpose of this insurance, "pollutant(s)" means any solid, liquid, gaseous or thermal irritant or contaminant substance, including but not limited to any smoke vapor, soot, fumes, acids, alkalis, chemicals and waste (whether recycled, reconditioned or reclaimed).</p>

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<p>Section II Coverage E – Personal Liability Exclusion 2a. (1) does not apply to this coverage.</p>		<p>date of this policy. Proof of mailing will be sufficient proof of notice.</p>
<p>SECTION II – CONDITIONS</p> <p>1. Limit of Liability. Regardless of the number of insureds, claims made or persons injured, our total liability under Coverage E stated in this policy for all damages resulting from any one occurrence shall not exceed the limit of liability for Coverage E as shown in the Declarations.</p> <p>Our total liability under Coverage F for all medical expenses payable for bodily injury to one person as the result of one accident will not be more than the limit of liability for Coverage F stated in the Declarations.</p>	<p>5. Waiver or Change of Policy Provisions. A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.</p> <p>6. Cancellation</p> <p>a. 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.</p> <p>b. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations.</p> <p>Proof of mailing will be sufficient proof of notice.</p> <p>(1) 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.</p> <p>(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 by letting you know at least 10 days before the date cancellation takes effect.</p> <p>(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:</p> <p>(a) Discovery of fraud or material misrepresentation of fact which if known to us would have caused us not to issue the policy; or</p> <p>(b) Conviction of a crime having as one of its necessary elements an act increasing the hazards insured against, or</p> <p>(c) Discovery of grossly negligent acts or omissions substantially increasing any of the hazards insured against; or</p> <p>(d) Physical changes in the property insured against which result in the property becoming uninsurable, or if the risk has changed substantially since the policy was issued.</p> <p>This can be done by letting you know at least 30 days before the date cancellation takes effect.</p> <p>(4) 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.</p> <p>c. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded prorata.</p> <p>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.</p>	<p>8. Assignment. Assignment of this policy will not be valid unless we give our written consent.</p> <p>9. 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.</p> <p>If an assignment is sought, an insured must sign and deliver all related papers and cooperate with us in any reasonable manner.</p> <p>Subrogation does not apply under Section II to Medical Payments to Others or Damage to Property of Others.</p> <p>10. Death. If any named insured or their spouse, if a resident of the residence premises listed in the Declarations, dies:</p> <p>a. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death;</p> <p>b. Insured also includes:</p> <p>(1) any person who qualifies as an insured under definitions 4.a. and 4.b. at the time of your death; and</p> <p>(2) with respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.</p> <p>11. Conformity to Statutes. If the provision of this policy are in conflict with the statutes of the state in which the residence premises is located, the provision are amended to conform to such statutes.</p> <p>This policy is signed at the Home Office of our President and Secretary.</p>
<p>4. Payment of Claim – Coverage F Medical Payments to Others. Payment under this coverage is not an admission of liability by an insured or us.</p> <p>5. Suit Against Us. No action shall be brought against us unless there has been compliance with the policy provisions. No one will have the right to join us as a party to any action against an insured. Further, no action with respect to Coverage E shall be brought against us until the obligation of an insured has been determined by final judgment or agreement signed by us.</p> <p>6. Bankruptcy of an Insured. Bankruptcy or insolvency of an insured shall not relieve us of our obligations under this policy.</p> <p>7. Other Insurance – Coverage E – Personal Liability. This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.</p>	<p>6. Non-Renewal. We may elect not to renew this policy at your mailing address shown in the Declarations, written notice at least 30 days before the expiration</p>	<p>11. Conformity to Statutes. If the provision of this policy are in conflict with the statutes of the state in which the residence premises is located, the provision are amended to conform to such statutes.</p> <p>This policy is signed at the Home Office of our President and Secretary.</p> <p></p> <p>President</p> <p></p> <p>Secretary</p>
<p>SECTION I AND II – CONDITIONS</p> <p>1. Policy Period. The effective time of this policy is 12:01 A.M. standard time at the residence premises on the effective date shown in the Declarations. With our consent, this policy may be renewed for successive policy periods if the renewal premium for rules and forms then in effect is paid and accepted before the end of the current policy period.</p> <p>This policy applies only to loss under Section I or bodily injury or property damage under Section II, which occurs during the policy period.</p> <p>2. Concealment or Fraud. The entire policy will be void if whether before or after a loss, an insured has:</p> <p>a. intentionally concealed or misrepresented any material fact or circumstance; or</p> <p>b. engaged in fraudulent conduct; or</p> <p>c. made false statements relating to this insurance or any claim thereunder.</p> <p>3. Examination Under Oath</p> <p>As often as we reasonably require:</p> <p>a. Provide us with records and documents we request and permit us to make copies; and</p> <p>b. Submit to an examination under oath while not in the presence of another insured and sign the examination under oath</p>	<p>7. Liberalization Clause. If we adopt a revision which would broaden the coverage under this policy without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.</p>	<p>1. Limit of Liability. Regardless of the number of insureds, claims made or persons injured, our total liability under Coverage E stated in this policy for all damages resulting from any one occurrence shall not exceed the limit of liability for Coverage E as shown in the Declarations.</p> <p>Our total liability under Coverage F for all medical expenses payable for bodily injury to one person as the result of one accident will not be more than the limit of liability for Coverage F stated in the Declarations.</p> <p>2. Your Duties After Loss. In case of an occurrence, the insured shall perform the following duties that apply. We have no duty to provide coverage if you fail to comply with the following duties and your failure to comply with the following duties is prejudicial to us. These duties must be performed by you, an insured, or a representative of either:</p> <p>a. Give written notice to us or your licensed insurance agent or broker as soon as is practical, which sets forth:</p> <p>(1) The identity of the policy and insured;</p> <p>(2) Reasonably available information on the time, place and circumstances of the accident or occurrence; and</p> <p>(3) Names and addresses of any claimants and witnesses;</p> <p>b. Promptly forward to us every notice, demand, summons or other documentation relating to the accident or occurrence;</p> <p>c. At our request, assist us in:</p> <p>(1) Settlement hearings and proceedings;</p> <p>(2) The enforcement of any right of contribution or indemnity against any person or organization who may be liable to an insured;</p> <p>(3) The conduct of suits and attendance at hearings and trials as we request;</p> <p>(4) Securing and giving evidence and obtaining the attendance of witnesses;</p> <p>d. Under the coverage – Damage to Property of Others – submit to us within 60 days after the loss, a sworn statement of loss and exhibit the damaged property, if within an insured's control.</p> <p>e. An insured shall not, except at an insured's own cost, voluntarily make payment, assume any obligation or incur expense other than for first aid to others at the time of the bodily injury.</p>
<p>3. Duties of an Injured Person Coverage F – Medical Payments to Others. The injured person or someone acting for the injured person will:</p> <p>a. Give us written proof of claim, under oath if required, as soon as is practical.</p> <p>b. Execute authorization to allow us to obtain copies of medical reports and records; and</p>		

**Pacific Specialty Insurance Company
CALIFORNIA PREFERRED HOMEOWNERS ENDORSEMENTS**

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ATTENTION

This booklet contains endorsements that are applicable to your policy only if the endorsement number appears on your Declarations page. Not all endorsements are necessarily applicable to your policy. Review your Declarations page to see which ones apply.

Please read carefully. When applicable, the endorsement will change your Dwelling policy.

**438BFU (Ed. 2)
Lender's Loss Payable Endorsement**

This endorsement changes your policy. Please read it carefully.

- Loss or damage, if any, under this policy shall be paid to the lender named in the declarations, its successors and assigns, hereinafter referred to as "the Lender," in whatever form or capacity its interest may appear and whether said interest be vested in said Lender in its individual or in its disclosed or undisclosed fiduciary or representative capacity, or otherwise, or vested in a nominee or trustee of said Lender.
- The insurance under this policy, or any rider or endorsement attached thereto, as to the interest only of the Lender, its successors and assigns, shall not be invalidated nor suspended: (a) by any error, omission, or change respecting the ownership, description, possession, or location of the subject of the insurance or the interest therein, or the title thereto; (b) by the commencement of foreclosure proceedings or the giving of notice of sale or any of the property covered by this policy by virtue of any mortgage or trust deed; (c) by any breach of warranty, act, omission, neglect, or non-compliance with any of the provisions of this policy, including any and all riders now or hereafter attached thereto by the named insured, the borrower, mortgagee, trustor, vendee, owner, tenant, warehouseman, custodian, occupant, or by the agents of either or any of them or by the happening of any event permitted by them or either of them, or their agents, or which they failed to prevent, whether occurring before or after the attachment of this endorsement, thereto would invalidate or suspend the insurance as to the named insured, excluding herefrom, however, any acts or omissions of the Lender while exercising active control and management.
- In the event of failure of the insured to pay any premium or additional premium which shall be or become due under the terms of this policy or on

account of any change in occupancy or increase in hazard not permitted by this policy, we agree to give written notice to the Lender of such non-payment of premium after sixty (60) days from and within one hundred and twenty (120) days after due date of such premium and it is a condition of the continuance of the rights of the Lender hereunder that the Lender when so notified in writing by us of the failure of the insured to pay such premium shall pay or cause to be paid the premium due within ten (10) days following receipt of our demand in writing therefore. If the Lender shall decline to pay said premium or additional premium, if the rights of the Lender under this Lender's Loss Payable Endorsement shall not be terminated before ten (10) days after receipt of said written notice by the Lender.

Whenever we shall pay to the Lender any sum for loss or damage under this policy ad shall claim that as to the insured no liability therefore exists. We at our option, may pay Lender the whole principal sum and interest and other indebtedness or to become due from the insured, whether secured or unsecured, (with refund of all interest not accrued), and we, to the extent of such payment, shall thereupon receive a full assignment and transfer, without recourse of the debt and all rights and securities held as collateral thereto.

If there be any other insurance upon the within described property, we shall be liable under this policy as to the Lender for the proportion of such loss or damage that the sum hereby insured bears to the entire insurance of similar character on said property under policies held by the Lender. An Contribution clause consented to by the Lender. An Contribution clause or Extended Coverage Endorsement attached to this contract of insurance is hereby nullified except Contribution Clauses for the compliance with which the insured has received reduction in the rate charged or has received extension of the coverage to include hazards other than fire and compliance with such other hazards. The Lender upon the payment to it of the full amounts of its claim, will subrogate us (pro rata with all other insurers contributing to said payment) to all of the Lender's rights of contribution under said other insurance.

We reserve the right to cancel this policy at any time, as provided by its terms, but in such case this policy shall continue in force for the benefit of the Lender for ten (10) days after written notice of such cancellation is received by the Lender and will then cease.

This policy shall remain in full force and effect as to the interest of the Lender for a period of ten (10) days after expiration unless an acceptable policy in renewal thereof with loss thereunder payable to the Lender in accordance with the terms of this Lender's Loss Payable Endorsement, shall have been issued by some insurance company and accepted by the Lender.

Should legal title to and beneficial ownership of any of the property covered under this policy become vested in the Lender or agents, insurance under this policy shall continue for the term thereof to the benefit of the Lender but, in such event, any privileges stated by this Lender's Loss Payable

Endorsement which are not also granted the insured under the terms and conditions of this policy and/or under other riders or endorsements attached thereto shall not apply to the insurance hereunder as respects such property.

All notices herein provided to be given by us to the Lender in connection with this policy and this Lender's Loss Payable Endorsement shall be mailed to or delivered to the Lender at its office or branch as stated on the declarations page.

The deductible for any payment made to the Lender under the terms of this endorsement shall be \$500, regardless of the policy deductible stated on the policy declarations page. However, the deductible will not be changed in the event a special deductible for earthquake, or windstorm, hurricane or hail losses is applicable to the loss or damage.

All other terms and conditions of the policy remain unchanged.

**ENDORSEMENT NO. CAM1 (Ed. 1)
Registered Domestic Partner Coverage**

This endorsement changes your policy. Please read it carefully.

As required by Section 381.5 of the California Insurance Code, this policy provides coverage for the registered domestic partner of an insured that is equal to, and subject to the same terms and conditions as, the coverage provided to a spouse of an insured.

A "registered domestic partner" is someone who has filed a Declaration of Domestic Partnership with the California Secretary of State with the insured and who meets the definition of "domestic partner" contained in Section 297 of the California Family Code.

All other terms and conditions of the policy remain unchanged.

**ENDORSEMENT NO. HO-90 (9-84)
Workers' Compensation
Residence Employees**

We agree, with respect to residence employees:

Under Coverage 1
To pay when due all benefits required of an insured by the California Workers' Compensation Law, and

Under Coverage 11
To pay on behalf of an insured all damages for which the insured is legally liable because of the bodily injury sustained by a residence employee. The bodily injury must be caused by accident or disease and arise out of and in the course of employment by the insured while: a. In the United States of America, its territories or possessions, or Canada, or b. Temporarily elsewhere if the residence employee is a citizen or resident of the United States or Canada.

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<p>Coverage II does not apply to any suit brought in or judgment rendered by any court outside the United States of America, its territories and possessions, or Canada, or to any action on such judgment.</p> <p>Who Is Covered A residence employee is covered if during the 90 calendar days immediately before the date of injury the employee has:</p> <ol style="list-style-type: none"> actually been engaged in such employment by the insured for no less than 52 hours, and earned no less than one hundred dollars (\$100) in wages. <p>Application of Coverage This insurance applies only to bodily injury which occurs during the policy period. If the bodily injury is a disease, it must be caused or aggravated by the conditions of the residence employee's employment by the insured.</p> <p>Policy Provisions This insurance is subject to all the provisions of this endorsement and the following provisions of this policy:</p> <ol style="list-style-type: none"> Under Section I and II – Conditions: <ol style="list-style-type: none"> 5. Waiver or Change of Policy Provisions. 6. Cancellation. 8. Assignment. 9. Subrogation. b. Under Section II – Conditions: <ol style="list-style-type: none"> 2. Duties After Loss. 5. Suit Against Us. c. Our agreement to defend the insured as provided under Coverage E – Personal Liability. d. Under Section II – Additional Coverages: <ol style="list-style-type: none"> 1. Claim Expenses. 2. First Aid Expenses. e. The definition of "bodily injury," "business," "insured" and "residence employee." <p>Additional Provisions Applicable to Coverage I The following provisions are applicable to Coverage:</p> <ol style="list-style-type: none"> We shall be directly and primarily liable to any residence employee of an insured entitled to the benefits of the California Workers' Compensation Law. As between the residence employee and us, notice to or knowledge of the occurrence of the injury on the part of an insured will be deemed notice or knowledge on our part. The jurisdiction of an insured will, for the purpose of the law imposing liability for compensation, be our jurisdiction. We will be subject to the orders, findings, decisions or awards rendered against an insured, under the provisions of the law imposing liability for compensation, subject to the provisions, conditions and limitations of this policy. This policy shall govern as between an insured and us as to payments by either in discharge of an insured's liability for compensation. The residence employee has a first lien upon any amount which we owe you on account of this insurance. In case of your legal incapacity or inability to receive the money and pay it to the residence employee, we will pay it directly to the residence 	<p>employee. Your obligation to the residence employee will be discharged to the extent of such payment.</p> <p>Limits of Liability Coverage II Our total limit of liability will not exceed \$100,000 for all damages because of bodily injury:</p> <ol style="list-style-type: none"> sustained by one or more residence employees in any one accident; or caused by disease and sustained by a residence employee. <p>Our total limit of liability will not exceed \$500,000 for all damages arising out of bodily injury by disease regardless of the number of residence employees who sustain bodily injury by disease.</p> <p>Other Insurance This insurance does not apply to any loss to which other valid and collectible Workers' Compensation or Employers' Liability Insurance applies.</p> <p>Conformity to Statute Terms of this insurance which are in conflict with the California Workers' Compensation Law are amended to conform to that law.</p> <p>Exclusions This policy does not apply:</p> <ol style="list-style-type: none"> to liability for additional compensation imposed on an insured under Sections 4553 and 4557 Division IV, Labor Code of the State of California, because of the serious and willful misconduct of an insured, or because of bodily injury to an employee under 16 years of age and illegally employed at the time of injury; to liability for bodily injury arising out of business pursuits of an insured. Under Coverage II: <ol style="list-style-type: none"> 1. to liability assumed by the insured under any contract or agreement. 2. to bodily injury by disease unless a written claim is made or suit brought against the insured within 36 months after the end of the policy period. 3. to any obligation under a workers' compensation, unemployment or disability benefits law or any similar law. <p>ENDORSEMENT No. NM-CA-MEPL (04/02) Mold Exclusion (PERSONAL LINES)</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>This policy does not provide coverage for any loss, damage, cost, claim, expense, "bodily injury," "property damage," or medical payments arising from or in any way involving, directly or indirectly, mold, fungi, mildew, spores, wet or dry rot, or similar organisms, regardless of the cause.</p> <p>The Company shall have no duty to investigate, defend, or indemnify any claim or "suit" seeking such damages.</p>	<p>against person(s), property or communication/information system(s)</p> <ol style="list-style-type: none"> including but not limited to the use of force or violence and/or threat thereof, <ol style="list-style-type: none"> of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), motivated by or committed for political, religious, social, racial, ethnic, ideological, philosophical or similar purposes (whether the loss, damage or injury resulting therefrom is accidental or intentional), <ol style="list-style-type: none"> including the intention to put the public, or any sector of the public, in fear, and/or to intimidate, coerce or punish any sector of the public or government, and/or to influence any government or government entity, and/or to disrupt any segment of the economy including disrupting or interfering with electronic or communication/information system(s) including system's hardware and software. <p>"War" means any hostile act or action in time of peace or war, including action in hindering, combating or defending against an actual, impending, threatened, or expected attack by:</p> <ol style="list-style-type: none"> military, naval or air forces; any government or sovereign power (de jure or de facto); any other authority using military personnel or other agents any authority maintaining or using military, naval or air forces; an agent of such government, power, authority, or forces; or including invasion; insurrection; rebellion; revolution; civil war; usurped power; or discharge of a nuclear weapon will be deemed a warlike act even if accidental. <p>ENDORSEMENT No. NY07 Mortgage Clause</p> <p>Loss, if any, under this policy shall be payable to those mortgagees named in the Declaration as mortgagees upon the property described in and covered by this policy as interest may appear and in order of precedence of said mortgages.</p> <ol style="list-style-type: none"> The terms "Mortgage", "Mortgagee" and "Mortgagor" wherever used in this rider shall be deemed to include Deed of trust and the respective parties thereto. The insurance, as to the interest of the Mortgagee only therein, shall not be invalidated by any act or neglect of the Mortgagor or owner of the described property, nor by the use of the premises for the purposes more hazardous than are permitted by this policy.
<p>ENDORSEMENT No. NM-CA-P01 (11/01) Pathogenic Organisms Exclusion</p> <p>THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THIS POLICY.</p> <p>The following exclusion is added to the policy:</p> <p>This insurance does not apply to:</p> <ol style="list-style-type: none"> "Bodily injury," "Property Damage," "Personal Injury," or "Advertising Injury" arising out of any "pathogenic organisms," regardless of any other cause or event that contributed concurrently or in any sequence to that injury or damage. <p>"Pathogenic Organisms" means any bacteria, yeasts, mildew, virus, fungi, mold, or their spores, mycotoxins or other metabolic products.</p> <p>ENDORSEMENT No. NM-CA-TW1 (05/02)</p> <p>THIS EXCLUSION APPLIES TO ALL COVERAGES PROVIDED BY THIS POLICY INCLUDING ANY AND ALL ENDORSEMENTS.</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>This insurance excludes all loss, damage, injury, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss, including all loss, damage, injury, or liability arising out of any act by any government authority for the purpose of preventing, terminating, countering or responding to any act of or threat of the following:</p> <ol style="list-style-type: none"> Terrorism, or War. <p>This endorsement excludes all loss, damage, injury, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to limiting loss caused by War or Terrorism.</p> <p>When state law requires us to provide the peril of fire on a particular coverage, we will comply, but only to the minimal extent required by law.</p> <p>In the event, this policy including any and all endorsements has an exclusion for war applicable to a coverage in question, the definition of war found in this endorsement will be used in place of the other definition of war.</p> <p>In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.</p> <p>"Terrorism" means any act or action, or actual, impending or the threatened or expected act or action</p>	<p>against person(s), property or communication/information system(s)</p> <ol style="list-style-type: none"> including but not limited to the use of force or violence and/or threat thereof, <ol style="list-style-type: none"> of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), motivated by or committed for political, religious, social, racial, ethnic, ideological, philosophical or similar purposes (whether the loss, damage or injury resulting therefrom is accidental or intentional), <ol style="list-style-type: none"> including the intention to put the public, or any sector of the public, in fear, and/or to intimidate, coerce or punish any sector of the public or government, and/or to influence any government or government entity, and/or to disrupt any segment of the economy including disrupting or interfering with electronic or communication/information system(s) including system's hardware and software. <p>"War" means any hostile act or action in time of peace or war, including action in hindering, combating or defending against an actual, impending, threatened, or expected attack by:</p> <ol style="list-style-type: none"> military, naval or air forces; any government or sovereign power (de jure or de facto); any other authority using military personnel or other agents any authority maintaining or using military, naval or air forces; an agent of such government, power, authority, or forces; or including invasion; insurrection; rebellion; revolution; civil war; usurped power; or discharge of a nuclear weapon will be deemed a warlike act even if accidental. <p>ENDORSEMENT No. NY07 Mortgage Clause</p> <p>Loss, if any, under this policy shall be payable to those mortgagees named in the Declaration as mortgagees upon the property described in and covered by this policy as interest may appear and in order of precedence of said mortgages.</p> <ol style="list-style-type: none"> The terms "Mortgage", "Mortgagee" and "Mortgagor" wherever used in this rider shall be deemed to include Deed of trust and the respective parties thereto. The insurance, as to the interest of the Mortgagee only therein, shall not be invalidated by any act or neglect of the Mortgagor or owner of the described property, nor by the use of the premises for the purposes more hazardous than are permitted by this policy. 	<p>against person(s), property or communication/information system(s)</p> <ol style="list-style-type: none"> including but not limited to the use of force or violence and/or threat thereof, <ol style="list-style-type: none"> of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), motivated by or committed for political, religious, social, racial, ethnic, ideological, philosophical or similar purposes (whether the loss, damage or injury resulting therefrom is accidental or intentional), <ol style="list-style-type: none"> including the intention to put the public, or any sector of the public, in fear, and/or to intimidate, coerce or punish any sector of the public or government, and/or to influence any government or government entity, and/or to disrupt any segment of the economy including disrupting or interfering with electronic or communication/information system(s) including system's hardware and software. <p>"War" means any hostile act or action in time of peace or war, including action in hindering, combating or defending against an actual, impending, threatened, or expected attack by:</p> <ol style="list-style-type: none"> military, naval or air forces; any government or sovereign power (de jure or de facto); any other authority using military personnel or other agents any authority maintaining or using military, naval or air forces; an agent of such government, power, authority, or forces; or including invasion; insurrection; rebellion; revolution; civil war; usurped power; or discharge of a nuclear weapon will be deemed a warlike act even if accidental. <p>ENDORSEMENT No. NY07 Mortgage Clause</p> <p>Loss, if any, under this policy shall be payable to those mortgagees named in the Declaration as mortgagees upon the property described in and covered by this policy as interest may appear and in order of precedence of said mortgages.</p> <ol style="list-style-type: none"> The terms "Mortgage", "Mortgagee" and "Mortgagor" wherever used in this rider shall be deemed to include Deed of trust and the respective parties thereto. The insurance, as to the interest of the Mortgagee only therein, shall not be invalidated by any act or neglect of the Mortgagor or owner of the described property, nor by the use of the premises for the purposes more hazardous than are permitted by this policy.



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<p>3 Any Mortgagee who shall have or acquire knowledge that the premises are being used for purposes more hazardous than are permitted by this policy or that the premises have been vacant or unoccupied beyond the period permitted by this policy shall forthwith notify this Company thereof and shall cause the consent of the Company hereto to be noted on this policy; and in the event of failure to do so, all rights of such Mortgagee hereunder shall forthwith terminate.</p> <p>4 In case the Mortgagee or owner shall fail to pay any premium due or to become due under this policy, the Mortgagee hereby covenants and agrees to pay the same on demand. The Mortgagee also covenants and agrees to pay on demand the premium for any increased hazard for the term of the existence thereof.</p> <p>5 This Company shall not be liable to the Mortgagee for a greater proportion of any loss than the amount hereby insured shall bear to the whole insurance covering the property against the peril involved under policies issued to, held by, or payable to the mortgagee, whether collectible or not.</p> <p>6 The policy provisions relating to "Mortgagee Interest and Obligations" are specifically referred to and made a part of this rider.</p>	<p style="text-align: center;">Pacific Specialty Insurance Company ATTN: Underwriting Department 3601 Haven Avenue Menlo Park, CA 94025</p> <p style="text-align: center;">BE SURE TO INCLUDE YOUR NAME, ADDRESS, AND POLICY NUMBER</p> <p style="text-align: center;">CONSUMER NOTICE</p> <p>If a dispute should arise between you and the Company which is not resolved, you may bring the matter to the attention of the Insurance Department. You should contact the Insurance Department only after the contacts between you and the Company, its agent, or other representatives have failed to produce a satisfactory solution to the problem. The Insurance Department's address is:</p> <p style="text-align: center;">CALIFORNIA INSURANCE DEPARTMENT Consumer Services Bureau 300 South Spring Street, 11th Floor Los Angeles, CA 90013 (800) 927-4357</p> <p style="text-align: center;">ENDORSEMENT No. PM1-CA-HO (Ed. 2) California Amendatory Endorsement for HO-3 policies</p> <p style="text-align: center;">This endorsement changes your policy. Please read it carefully.</p> <p style="text-align: center;">SECTION II – CONDITIONS</p> <p>Item 8, Judgment Secured Against the Insured, is added.</p> <p>8. Judgment Secured Against the Insured. If a judgment is secured against the insured or the executor or administrator of a deceased insured in an action based upon bodily injury, death, or property damage, then an action may be brought against the insurer on the policy and subject to its terms and limitations, by such judgment creditor to recover on the judgment.]</p> <p>Item 9, Polling Place for State or Local Election, is added.</p> <p>9. Polling Place for State or Local Election. The policy shall cover liability incurred by the insured in connection with the use of the residential property for a polling place for any state or local election, under the same terms and conditions as for other liability covered by the policy.</p> <p style="text-align: center;">SECTIONS I AND II – CONDITIONS</p> <p>Item 6, Cancellation, is deleted in its entirety and replaced by the following:</p> <p>6. Cancellation. a. 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. b. We may cancel this policy only for the reasons stated below by letting you know in writing of the</p>	<p>date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.</p> <p>(1) 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.</p> <p>(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 by letting you know at least 20 days before the date cancellation takes effect.</p> <p>(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:</p> <p>(a) Conviction of the named insured of a crime having one of its necessary elements an act increasing any hazard insured against;</p> <p>(b) Discovery of fraud or material misrepresentation by either of the following:</p> <p style="padding-left: 20px;">I. you or your representative in obtaining the insurance, or</p> <p style="padding-left: 20px;">II. you or your representative in pursuing a claim under this policy.</p> <p>(c) Discovery of grossly negligent acts or omissions by you or your representative substantially increasing any of the hazards insured against.</p> <p>(d) Physical changes in the insured property which result in the property becoming uninsurable.</p> <p>This can be done by letting you know at least 20 days before the date cancellation takes effect.</p> <p>c. When this policy is terminated for any reason, or there is a reduction in coverage, we shall tender the gross unearned premium resulting from the termination, or the amount of the unearned premium generated by the reduction in coverage, to you or pursuant to Section 673, to your premium finance company. The gross unearned premium shall be tendered within 25 business days after we either receive notice of the event that generated the gross unearned premium, or receive notice from a premium finance company of a cancellation.</p> <p>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.</p> <p>Item 7, Non-Renewal, is deleted in its entirety and replaced by the following:</p> <p>7. Non-Renewal. We may elect not to renew this policy, or mailing to you</p>
<p>When you applied to the Pacific Specialty Insurance Company, you entrusted us with some personal information about yourself. Like you, we are concerned about your privacy and its protection. Therefore, we want you to know about our procedures for protecting your privacy, and your rights and responsibilities regarding recorded information about you. As our customer, we want you to understand how we gather information, and how we protect it, and how you can help insure its accuracy.</p> <p>1. We get most of our information from you. In most cases, the application you complete gives us all the information we need to evaluate you or your property for insurance. Should we need additional information or want to verify information, we may get it from persons other than you.</p> <p>2. Information we collect about you will not generally be given to anyone without your consent, except when the disclosure is necessary for us to conduct our business. In that case, we will share information about you without your prior consent to the extent permitted by the state privacy laws. Generally, information will be disclosed without your prior consent only to persons or organizations having a business interest in an insurance transaction involving you, have a contract with us to perform part of our insurance function, or have some other business relationship with us.</p> <p>3. You have the right to review the recorded personal information about you contained in our files and to get a copy. You have the further right to request that we correct, amend or delete any of this information. You may obtain a more detailed description of the information practices prescribed by law by contacting us at:</p>	<p>at your mailing address shown in the Declarations, written notice at least 45 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.</p> <p style="text-align: center;">ENDORSEMENT No. PM2 (Ed. 3) Animal Liability Exclusion</p> <p style="text-align: center;">This endorsement changes your policy. Please read it carefully.</p> <p>It is understood and agreed that your policy is amended as follows:</p> <p>1. LIABILITY COVERAGE We shall not pay any sum that an insured shall become legally obligated to pay as damages because of bodily injury or property damage caused by or originating or resulting from any animal.</p> <p>2. MEDICAL PAYMENT COVERAGE We shall not pay any medical expenses at any time, to persons while on the insured's premises, with or without the permission of the insured, or while elsewhere, if such medical expense is caused by or results from any bodily injury caused by, or resulting from any animal.</p>	<p>All other terms and conditions of the policy remain unchanged.</p> <p style="text-align: center;">ENDORSEMENT No. PM3 (Ed. 4) Occupancy Endorsement (Primary Residence Only)</p> <p style="text-align: center;">This endorsement changes your policy. Please read it carefully.</p> <p>It is understood and agreed that the Company will not provide coverage for a loss that occurs while the residence premises is unoccupied. However, coverage remains in effect during this period for the Perils of Fire, Lightning, Windstorm, Hail, Smoke and Volcanic Eruption.</p> <p>All other terms and conditions of this policy remain unchanged.</p> <p style="text-align: center;">ENDORSEMENT No. PM4 (Ed. 1) Satellite Dish Exclusion</p> <p style="text-align: center;">This endorsement changes your policy. Please read it carefully.</p> <p>This policy does not provide any coverage loss or damage to a satellite dish, antennas, or their components, including mounting hardware.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p style="text-align: center;">ENDORSEMENT No. PM5 (Ed. 2) Roof for Fire and Lightning Only Endorsement</p>

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<p>It is agreed that the roof on your Dwelling is only covered for losses caused by the perils of fire and/or lightning. It is further agreed that there is no coverage for damage to the interior of the dwelling, if such damage is due to the failure of the roof which is caused by a peril other than fire and/or lightning.</p> <p>ENDORSEMENT No. PM6 (Ed. 3) Water Damage Exclusion for Plumbing</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>It is agreed that the insured Dwelling's pressurized pipes are constructed, in whole or in part, from material other than copper, galvanized steel, polyvinyl chloride (PVC), or chemically cross-linked polyethylene.</p> <p>In the event a claim is made resulting from the failure of the Dwelling's pressurized pipes, no coverage will be afforded under this policy for the pipe(s) or any ensuing water damage.</p> <p>This exclusion does not apply to any of the following:</p> <ol style="list-style-type: none"> a) Pipes outside the dwelling; b) Drain pipes; c) Sprinkler, irrigation systems; d) Gas pipes. <p>ENDORSEMENT No. PM7 (Ed. 3) Copper Plumbing Agreement</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>It is agreed that the insured Dwelling's visible interior pressurized pipes are constructed of copper, and the existence of copper plumbing pipes have been verified by viewing the plumbing pipe that connects the water heater to the plumbing pipes behind the wall.</p> <p>In the event a claim is made resulting from non-copper pressurized pipe(s) failure, no coverage will be afforded by this policy for the pipe(s) or any ensuing water damage if the plumbing pipe at the connection between the water heater and the wall is not copper.</p> <p>ENDORSEMENT No. PM11 (Ed. 5) Increased Deductible for Loss or Damage Caused by Tenants</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>It is understood and agreed that if a loss occurs due to a Peril Insured Against which is caused by a present or past tenant of the residence premises, then that loss is considered to be a "Tenant Caused Loss."</p> <p>We will only be liable for that portion of a Tenant Caused Loss that exceeds the Tenant Caused Loss Deductible of \$2,500.00, up to the limits of the policy as stated in the Declarations page. However, if a higher policy deductible is stated in the Declarations page, then we will only be</p>	<p>liable for that portion of a Tenant Caused Loss that exceeds the policy deductible, up to the limits of the policy as stated in the Declarations page.</p> <p>This endorsement does not extend or expand the perils insured under this policy.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p>ENDORSEMENT No. PM17 (Ed. 2) Loss Settlement Provisions for California Residential Property Policies</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>Paragraph b (5) in item 3, Loss Settlement in the SECTION I – CONDITIONS section of your policy is hereby added:</p> <p>(5) You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss or damage to dwellings and other structures on an actual cash value basis. You may then make claim within 12 months from the date that the first payment toward actual cash value is made for any additional liability on a replacement cost basis. Additional extensions of up to six (6) months may be provided for good cause pursuant to Section 2051.5 of the California Insurance Code if requested in writing and received by us prior to the expiration of either the initial 12-month period or any subsequent 6-month extension. In the event of a loss relating to a state of emergency as defined in Section 8558 of the California Government Code, the initial time limit is automatically extended to 24 months from the date that the first payment toward actual cash value is made.</p> <p>These loss settlement provisions apply equally to claims made under Coverage C (Personal Property) if replacement cost coverage for personal property was purchased prior to the loss.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p>ENDORSEMENT No. PM18 (Ed. 1) Trampoline Exclusion</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>This policy does not provide any coverage for any:</p> <ol style="list-style-type: none"> a. loss; b. damage; c. cost; d. claim; e. expense; f. "bodily injury."
<p>g. "property damage," or h. medical payments arising from or in any way involving, directly or indirectly, a trampoline, regardless of cause.</p> <p>We shall have no duty to investigate, defend, or indemnify any claim or "suit" seeking such damages.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p>ENDORSEMENT No. PM19 (Ed. 1) Swimming Pool Diving Board and Slide Exclusion</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>This policy does not provide any coverage for any:</p> <ol style="list-style-type: none"> a. loss; b. damage; c. cost; d. claim; e. "bodily injury," or f. "property damage," or g. medical payments <p>arising from or in any way involving, directly or indirectly, a swimming pool diving board, slide or similar structure, regardless of cause.</p> <p>We shall have no duty to investigate, defend, or indemnify any claim or "suit" seeking such damages.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p>ENDORSEMENT No. PM20 (Ed. 2) Inflation Guard</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>A 3% increase to the limit of liability shown on the Declarations page of the policy for the insured dwelling (Coverage A) will be applied at renewal.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p>ENDORSEMENT No. PM22 (Ed. 5) Preferred Package Endorsement</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>Section I – Loss Deductible is hereby deleted and replaced with the following:</p> <p>Under Section I of the policy, we cover only that part of the loss over the deductible stated in the Declarations. With respect to loss to property covered under this policy, the deductible shall apply separately to each occurrence. The deductible does not apply to Coverage D – Loss of Use.</p>	<p>g. "property damage," or h. medical payments arising from or in any way involving, directly or indirectly, a trampoline, regardless of cause.</p> <p>We shall have no duty to investigate, defend, or indemnify any claim or "suit" seeking such damages.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p>ENDORSEMENT No. PM19 (Ed. 1) Swimming Pool Diving Board and Slide Exclusion</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>This policy does not provide any coverage for any:</p> <ol style="list-style-type: none"> a. loss; b. damage; c. cost; d. claim; e. "bodily injury," or f. "property damage," or g. medical payments <p>arising from or in any way involving, directly or indirectly, a swimming pool diving board, slide or similar structure, regardless of cause.</p> <p>We shall have no duty to investigate, defend, or indemnify any claim or "suit" seeking such damages.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p>ENDORSEMENT No. PM20 (Ed. 2) Inflation Guard</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>A 3% increase to the limit of liability shown on the Declarations page of the policy for the insured dwelling (Coverage A) will be applied at renewal.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p>ENDORSEMENT No. PM22 (Ed. 5) Preferred Package Endorsement</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>Section I – Loss Deductible is hereby deleted and replaced with the following:</p> <p>Under Section I of the policy, we cover only that part of the loss over the deductible stated in the Declarations. With respect to loss to property covered under this policy, the deductible shall apply separately to each occurrence. The deductible does not apply to Coverage D – Loss of Use.</p>
<p>If a loss occurs that results in the payment equal to or greater than the total Coverage A (Dwelling) limit stated in the Declarations, the loss deductible stated in the Declarations is waived and is not applied to the payment for that loss. This provision does not apply if the loss results from a peril that is covered by a Special Deductible. Extended replacement cost limits are not taken into consideration when determining if this provision applies.</p> <p>Section I – Coverage C (Personal Property) The Special Limits of Liability are increased as follows:</p> <ol style="list-style-type: none"> 1. Special Limits of \$100 in the policy are increased to \$500. 2. Special Limits of \$250 in the policy are increased to \$2,000. 3. Special Limits of \$500, \$1,000 or \$2,000 in the policy are increased to \$5,000. <p>The following Special Limit of Liability is added to the policy:</p> <ol style="list-style-type: none"> 20. \$50,000 for loss by theft of: <ol style="list-style-type: none"> a. Jewelry, b. Watches, c. Furs, d. precious or semi-precious stones, e. silverware, f. goldware, g. pewter, or h. platinum. <p>While stored at any bank, trust company, or safe deposit company.</p> <p>Section II – Exclusions Exclusions 1, h. is deleted and replaced with the following:</p> <p>h. Arising out of:</p> <ol style="list-style-type: none"> (1) The ownership, maintenance, use, loading or unloading of a watercraft equipped with more than 50 horsepower or greater than 26 feet in length, whether owned, rented or borrowed; (2) The entrustment by an insured of any watercraft to any person; (3) Vicarious parental liability imposed by statute for the actions of a child or minor using any watercraft. <p>All other terms and conditions of the policy remain unchanged. Please read your policy.</p> <p>ENDORSEMENT No. PM27 (Ed. 2) Additional Insured – Property Policies</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>Whenever an Additional Insured appears in the Declarations, the person or organization named as an Additional Insured is insured under this policy, but only for the coverage that appears both in this endorsement and in the Declarations.</p> <p>SECTION I – PROPERTY COVERAGES</p>	<p>g. "property damage," or h. medical payments arising from or in any way involving, directly or indirectly, a trampoline, regardless of cause.</p> <p>We shall have no duty to investigate, defend, or indemnify any claim or "suit" seeking such damages.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p>ENDORSEMENT No. PM19 (Ed. 1) Swimming Pool Diving Board and Slide Exclusion</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>This policy does not provide any coverage for any:</p> <ol style="list-style-type: none"> a. loss; b. damage; c. cost; d. claim; e. "bodily injury," or f. "property damage," or g. medical payments <p>arising from or in any way involving, directly or indirectly, a swimming pool diving board, slide or similar structure, regardless of cause.</p> <p>We shall have no duty to investigate, defend, or indemnify any claim or "suit" seeking such damages.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p>ENDORSEMENT No. PM20 (Ed. 2) Inflation Guard</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>A 3% increase to the limit of liability shown on the Declarations page of the policy for the insured dwelling (Coverage A) will be applied at renewal.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <p>ENDORSEMENT No. PM22 (Ed. 5) Preferred Package Endorsement</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>Section I – Loss Deductible is hereby deleted and replaced with the following:</p> <p>Under Section I of the policy, we cover only that part of the loss over the deductible stated in the Declarations. With respect to loss to property covered under this policy, the deductible shall apply separately to each occurrence. The deductible does not apply to Coverage D – Loss of Use.</p>

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Coverage A – Dwelling
Coverage B – Other Structures

SECTION II – LIABILITY COVERAGES

Coverage E – Personal Liability,
Coverage F – Medical Payments to Others

With respect to Dwelling and Other Structures coverage, any Additional Insured is insured only with respect to that Additional Insured's insurable interest in the **residence premises**. The Declarations will indicate the limit that applies to each coverage.

With respect to Liability and Medical Payments to Others, any Additional Insured is covered only when held liable for an act or failure to act by the **named insured** in the Declarations. This coverage does not apply to **bodily injury** to any employee or contractor hired by an Additional Insured arising out of or in the course of that employee or contractor's work for that Additional Insured.

If we decide to cancel or not to renew this policy, the Additional Insured will be notified in writing.

This endorsement does not apply if there is no Additional Insured listed in the Declarations.

All other terms and conditions of the policy remain unchanged.

**ENDORSEMENT No. PM28 (Ed. 2)
Property Held By Legal Entity**

This endorsement changes your policy. Please read it carefully.

If the insured named in the Declarations is a legal entity and not an individual, the coverage afforded by this policy applies only to loss relating to or arising out of the **residence premises**.

All other terms and conditions of the policy remain unchanged.

**ENDORSEMENT No. PM29 (Ed. 2)
Dwelling Purchased Through Foreclosure**

This endorsement changes your policy. Please read it carefully.

It is agreed that if the insured dwelling was purchased at, from, by or through a foreclosure, bank or trustee sales, the deductible shown in the Declarations will be doubled in the event a loss occurs within 90 days from the inception date of the policy.

All other terms and conditions of the policy remain unchanged.

**ENDORSEMENT No. PM32 (Ed. 2)
Replacement Cost Coverage for Roofing
and Roof Components**

This endorsement changes your policy. Please read it carefully.

SECTION I – CONDITIONS

Item 3.b. is hereby deleted and replaced in its entirety by the following:

3. **Loss Settlement.** Covered property losses are settled as follows:
 - b. Structures that are not buildings at **actual cash value** at the time of loss but not exceeding the amount required to repair or replace.

All other terms of this policy remain unchanged.

**ENDORSEMENT No. PM34 (Ed. 1)
\$2,500 Sublimit for Late Wildfire Claim
Reporting (For HO-3 Policy Forms)**

This endorsement changes your policy. Please read it carefully. This endorsement restricts the coverage in your policy. Please read your policy and all endorsements.

The following definition is added to your policy:

“Wildfire smoke, soot and ash damage” means:

- Smoke;
- Soot;
- Ash;
- Dust;
- Particle;
- Material; or
- Byproduct.

that is produced, discharged, emitted or released during, caused by or at any time resulting from or following a wildfire and/or brushfire event (referred to as a “wildfire”) **wildfire smoke, soot and ash damage** does not mean damage that is caused directly by fire.

SCHEDULE

This endorsement adds a special limit of liability to your policy. This special limit of liability applies to the total of all losses or costs payable under this endorsement during the policy period. This is without regard to the number of buildings, other structures and personal property insured by this policy. This limit is the total annual aggregate limit available for all Coverages listed in the schedule. This limit does not increase the limits of liability of any Coverage listed below. If a Coverage listed below is not part of the policy form, this endorsement does not add that Coverage.

Total Property Coverage Limit for Wildfire smoke, soot and ash damage not reported to us within forty-five (45) days: \$2,500.

Special Limit applies to:	– Dwelling
Coverage A	– Other Structures
Coverage B	– Personal Property
Coverage C	– Loss of Use
Coverage D	

With respect to the coverage provided under this endorsement:

- a. The amount shown in the Schedule above is the most we will pay for:
 - (1) The total of all loss payable for direct physical loss to property under the Coverages listed in the Schedule above caused by **wildfire smoke, soot and ash damage**;
 - (2) The cost to remove **wildfire smoke, soot and ash damage** from covered property;
 - (3) The cost to tear out and/or replace any part of the dwelling or other covered property to gain access to the **wildfire smoke, soot and ash damage**; and
 - (4) The cost of testing air or property to confirm the amount of **wildfire smoke, soot and ash damage**, no matter when performed. The cost of such testing will be paid to the extent that there is direct physical loss to property from **wildfire smoke, soot and ash damage**.

b. The coverage described in this endorsement only applies when direct physical loss or costs are the result of **wildfire smoke, soot and ash damage** that occurs during the policy period. This is regardless of when the **wildfire** occurred.

This limit of liability for **wildfire smoke, soot and ash damage** does not apply where covered property located in or on the insured **residence premises** has sustained direct physical loss or costs, including loss of use, caused by **wildfire smoke, soot and ash damage** and the claim is reported to us within forty-five (45) days of the governmental authorities extinguishment of the **wildfire**.

c. Any direct physical loss or costs caused by **wildfire smoke, soot and ash damage** that are not reported to us within forty-five (45) days of the governmental authorities extinguishment of the **wildfire** shall be subject to this special limit of liability.

d. The amount shown in the Schedule above is the most we will pay for the total of all direct physical loss or costs payable under this endorsement during the policy period, regardless of the number of buildings, other structures and personal property insured under this policy.

e. This coverage does not increase the limit of liability for damage to covered property or for loss of use. This special limit of liability does not apply where covered property in or on the **residence premises** has sustained any direct damage by fire.

All other terms and conditions of this policy which are not inconsistent herewith remain unchanged.

**ENDORSEMENT No. PO5-HO (Ed. 2)
Replacement Cost Coverage for Personal
Property**

This endorsement changes your policy. Please read it carefully.

SECTION I – CONDITIONS, Item 3.a. is hereby deleted and replaced with the following:

3. **Loss Settlement.** Covered property losses are settled as follows:
 - (1) Personal Property; and
 - (2) Awnings, carpeting, domestic appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; At replacement cost without deduction for depreciation, subject to the following:
 1. “Replacement cost” means the cost to repair or replace the property with new property of equivalent kind and quality to the extent practical, without deduction for depreciation.
 2. Replacement cost terms do not apply to the following personal property:
 - a. articles of art or rarity that cannot be duplicated;
 - b. memorabilia, souvenirs, collector’s items, and similar items whose age or history contribute to its value;
 - c. items not maintained in good or workable condition; or
 - d. items that are outdated or obsolete and are stored or not being used.
 3. If the Replacement Cost Terms do not apply, we settle losses according to the Actual Cash Value Terms.
 - a. Replacement Cost Terms
 - (1) We pay the smallest of the following amounts for each covered item:
 - (a) the replacement cost of the property as defined in this endorsement;
 - (b) the amount computed after any special limitation in this policy has been applied to the loss; or
 - (c) the amount for loss to property covered under Coverage C, subject to the Coverage C limit.
 - (2) When the replacement cost for each occurrence is more than \$500, we do not pay for more than the actual cash value of the loss until actual repair or replacement is completed. You may make a claim for the actual cash value amount of the loss before repairs are made or replacement is completed. A claim for any additional amount payable under this provision, must be made within six months after the actual

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<p>cash value of the property at the time of loss.</p> <p>b. Actual Cash Value Terms – Actual cash value includes a deduction for depreciation, however caused.</p> <p>(1) The Actual Cash Value Terms apply to all property not subject to the Replacement Value Terms.</p> <p>(2) The smaller of the following amounts is used in applying the terms under our limit.</p> <p>(a) the cost to repair or replace the property with materials of like kind and quality to the extent practical, or</p> <p>(b) the actual cash value of the property at the time of loss.</p> <p>The coverage provided by this endorsement does not increase our limit. All other terms, conditions and exclusions of the policy apply.</p> <p>ENDORSEMENT No. PO6 (Ed. 2) Scheduled Personal Property</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>For an additional premium, we provide the coverage described in this endorsement for the classes of personal property indicated as Scheduled Personal Property in the Declarations. The limit(s) for each class of property indicated in the Declarations is the most we will pay in the event of a covered loss. If no limit is indicated for a class of property, then this endorsement does not apply to the class of property.</p> <p>THE FOLLOWING SCHEDULE OF ITEMS WILL APPEAR IN THE DECLARATIONS:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Class of Personal Property</th> <th style="text-align: left;">Amount of Insurance</th> <th style="text-align: left;">Premium</th> </tr> </thead> <tbody> <tr> <td>1. Each class of property to be listed individually here.</td> <td>Declared Amount</td> <td>\$ Charge</td> </tr> <tr> <td>No. List of Individual Items Scheduled for Each Class of Personal Property.</td> <td>Insured Value</td> <td></td> </tr> <tr> <td>1. First item scheduled for first class of property.</td> <td>\$ Amount</td> <td></td> </tr> </tbody> </table> <p>The following conditions apply only to the classes of property indicated as Scheduled Personal Property on the Declarations.</p> <p>1. Competent Packers and Movers – You agree that if Scheduled Personal Property is stored location noted on the declarations, that the Scheduled Personal Property will be packed and unpacked by competent packers.</p>	Class of Personal Property	Amount of Insurance	Premium	1. Each class of property to be listed individually here.	Declared Amount	\$ Charge	No. List of Individual Items Scheduled for Each Class of Personal Property.	Insured Value		1. First item scheduled for first class of property.	\$ Amount		<p>2. Additional Coverage for Qualifying Newly Acquired Property – If you acquire new Scheduled Personal Property in a class covered by this endorsement we cover the additional property you acquire during the policy period if you:</p> <p>a. Provide us with complete descriptions and valuations (e.g. receipts or appraisals) within 30 days of the date you acquired the property, and</p> <p>b. Pay the additional premium due from the date of the acquisition. This coverage applies for 30 days from the date you acquire the property or until you report the newly acquired property us, whichever comes first. This coverage does not extend past the end of the policy period.</p> <p>The most we pay for newly acquired items meeting the criteria above is 25% of the limit shown in the Declarations for the class of property. This additional coverage does not apply if the newly acquired property class is not scheduled.</p> <p>3. Property Not Covered – We do not cover:</p> <p>a. Contraband or property in the course of illegal transportation or trade;</p> <p>b. Scheduled Personal Property shipped by mail;</p> <p>c. Scheduled Personal Property in the custody of a transportation company;</p> <p>d. Scheduled Personal Property that is part of a collection, unless the property is individually scheduled;</p> <p>e. Scheduled Personal Property on display at a location other than the residence premises, unless the location is indicated in the Declarations as the location for the Scheduled Personal Property; or</p> <p>f. Golf balls.</p> <p>4. Perils Insured Against for Scheduled Personal Property – We insure Scheduled Personal Property covered by this endorsement for risks of direct physical loss, due to an external cause, unless the loss is due to:</p> <p>a. Nuclear hazard;</p> <p>b. War and military action;</p> <p>c. Neglect;</p> <p>d. Intentional acts;</p> <p>e. Wear and tear;</p> <p>f. Gradual deterioration, corrosion, or rust;</p> <p>g. Mechanical breakdown;</p> <p>h. Inherent vice or defect, or any quality, fault, or weakness in</p>	<p>property that causes it to damage or destroy itself;</p> <p>i. Any animal.</p> <p>j. Improper storage resulting in loss due to:</p> <p>i. Dampness;</p> <p>ii. Extremes of temperature;</p> <p>iii. Fading, creasing, scratching, tearing, or thinning</p> <p>iv. Transfer of colors or pigments</p> <p>v. Depreciation</p> <p>k. Damage caused while working on the property to:</p> <p>i. Repair;</p> <p>ii. Service;</p> <p>iii. Maintain;</p> <p>iv. Restore;</p> <p>v. Retouch;</p> <p>l. Breakage, unless caused by:</p> <p>i. Fire;</p> <p>ii. Lightning;</p> <p>iii. Windstorm;</p> <p>iv. Earthquake;</p> <p>v. Flood;</p> <p>vi. Explosion;</p> <p>vii. Aircraft;</p> <p>viii. Collision;</p> <p>ix. Derailment or overturn of a transporting vehicle;</p> <p>x. Malicious damage; or</p> <p>xi. Theft or attempted theft.</p> <p>m. Disappearance of an individual item, if the item is scheduled as part of a collection. We do cover the disappearance of items that form a collection if the items are individually scheduled.</p> <p>5. No Deductible Applies – With respect to the Scheduled Personal Property indicated in the Declarations and covered by this endorsement, no deductible applies.</p> <p>6. Loss Settlement – With respect to the Scheduled Personal Property indicated in the Declarations and covered by this endorsement, the following Loss Settlement Terms apply:</p> <p>a. The value of the covered property is not agreed upon but will be determined at the time of loss or damage. We will pay the smallest of the following amounts:</p> <p>i. The actual cash value of the property at the time of loss or damage, unless the</p>
Class of Personal Property	Amount of Insurance	Premium												
1. Each class of property to be listed individually here.	Declared Amount	\$ Charge												
No. List of Individual Items Scheduled for Each Class of Personal Property.	Insured Value													
1. First item scheduled for first class of property.	\$ Amount													
<p>SECTION I Personal Property Loss Settlement terms are endorsed with replacement cost.</p> <p>ii. The amount for which the property could be reasonably be expected to be repaired to its condition just before the loss or damage;</p> <p>iii. The amount for which the property could reasonably be expected to be replaced with property substantially identical to the property lost or damaged.</p> <p>iv. The limit applicable to the individual item.</p> <p>b. In case of loss to a pair or set, we may elect to:</p> <p>i. Repair or replace any part to restore the pair or set to its value before the loss;</p> <p>ii. Pay the difference in the actual cash value of the pair or set just before the loss and the actual cash value just after the loss.</p> <p>iii. Pay the full limit applicable to the item. If we pay the full limit applicable to an entire pair or set for loss to part of the pair or set, you agree to surrender the item, if not lost or stolen, and any remaining items of the pair or set.</p> <p>c. In case of loss to a part of an item that consists of several parts when it is complete, we may elect to:</p> <p>i. Pay only for the value of the lost or damaged part or the cost to repair or replace it; or</p> <p>ii. Pay the full limit applicable to the item. If we pay the full limit applicable</p>	<p>SECTION I Personal Property Loss Settlement terms are endorsed with replacement cost.</p> <p>ii. The amount for which the property could be reasonably be expected to be repaired to its condition just before the loss or damage;</p> <p>iii. The amount for which the property could reasonably be expected to be replaced with property substantially identical to the property lost or damaged.</p> <p>iv. The limit applicable to the individual item.</p> <p>b. In case of loss to a pair or set, we may elect to:</p> <p>i. Repair or replace any part to restore the pair or set to its value before the loss;</p> <p>ii. Pay the difference in the actual cash value of the pair or set just before the loss and the actual cash value just after the loss.</p> <p>iii. Pay the full limit applicable to the item. If we pay the full limit applicable to an entire pair or set for loss to part of the pair or set, you agree to surrender the item, if not lost or stolen, and any remaining items of the pair or set.</p> <p>c. In case of loss to a part of an item that consists of several parts when it is complete, we may elect to:</p> <p>i. Pay only for the value of the lost or damaged part or the cost to repair or replace it; or</p> <p>ii. Pay the full limit applicable to the item. If we pay the full limit applicable</p>	<p>SECTION I Personal Property Loss Settlement terms are endorsed with replacement cost.</p> <p>ii. The amount for which the property could be reasonably be expected to be repaired to its condition just before the loss or damage;</p> <p>iii. The amount for which the property could reasonably be expected to be replaced with property substantially identical to the property lost or damaged.</p> <p>iv. The limit applicable to the individual item.</p> <p>b. In case of loss to a pair or set, we may elect to:</p> <p>i. Repair or replace any part to restore the pair or set to its value before the loss;</p> <p>ii. Pay the difference in the actual cash value of the pair or set just before the loss and the actual cash value just after the loss.</p> <p>iii. Pay the full limit applicable to the item. If we pay the full limit applicable to an entire pair or set for loss to part of the pair or set, you agree to surrender the item, if not lost or stolen, and any remaining items of the pair or set.</p> <p>c. In case of loss to a part of an item that consists of several parts when it is complete, we may elect to:</p> <p>i. Pay only for the value of the lost or damaged part or the cost to repair or replace it; or</p> <p>ii. Pay the full limit applicable to the item. If we pay the full limit applicable</p>												



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<p>to an entire item for loss to a part, you agree to surrender the item, if not lost or stolen, and any remaining parts of the item.</p> <p>7. Restoration of Limits - The limit(s) listed on the Declaration for Scheduled Personal Property will only be reduced if there is a total loss to a scheduled item.</p> <p>8. Territory Where Coverage Applies – Coverage applies while the property is anywhere in the world.</p>	<p>7. Liability or injury arising out of or communicable disease.</p> <p>8. Liability or injury arising out of the actual, alleged, or threatened sexual molestation of any person.</p> <p>9. Injury sustained by any person as a result of an offense directly or indirectly related to the employment of this person by the "insured."</p> <p>10. Bodily Injury arising out of or in connection with a business engaged in by an insured. This exclusion applies, but is not limited to, an act or omission, regardless of its nature or circumstance, involving a service or duty that is rendered, that is promised, that is owed or that is implied to be provided because of the nature of the business.</p> <p>11. Civic or public activities performed for pay by an insured.</p> <p>12. Injury to you or an insured.</p> <p>All other terms and conditions of the policy remain unchanged.</p>	<p>There is no coverage for any liability arising from:</p> <ol style="list-style-type: none"> dog that is a mixed breed any of the above listed dog breeds; any dog known by breed or species to be vicious; or any animal with a previous bite history. <p>We shall have no duty to defend or indemnify any claim or "suit" seeking damages caused by or arising out of the actions of any animal excluded herein, including but not limited to negligent supervision of any animal excluded herein.</p> <p>All other terms and conditions of the policy remain unchanged.</p>	<p>8. \$10,000 for loss by theft of jewelry, watches, furs, precious and semi-precious stones.</p> <p>9. \$10,000 for loss by theft of silverware, goldware, pewter, and platinum, including:</p> <ol style="list-style-type: none"> Silver or gold-plated ware, plateware, flatware, hollowware, tea sets, trays, trophies and the like; Other utilitarian items made of or including silver, gold, pewter or platinum. <p>No other special limits of liability are altered by this endorsement.</p> <p>All other terms and conditions of the policy remain unchanged. Please read your policy.</p>
<p>ENDORSEMENT No. PO8 (Ed. 3) Personal Injury Coverage</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>For an additional premium, under Coverage E – Personal Liability, the definition of "bodily injury" is amended to include personal injury.</p> <p>"Personal Injury" means injury arising out of one or more of the following offenses:</p> <ol style="list-style-type: none"> False arrest, detention or imprisonment, or malicious prosecution; Label, slander or defamation of character, or invasion of privacy, wrongful eviction or wrongful entry; <p>Section II Exclusions do not apply to personal injury.</p>	<p>ENDORSEMENT No. PO9 (Ed. 2) Premises Burglary or Fire Alarm System Agreement</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>For a premium credit, we acknowledge the installation of a burglary alarm system or a fire alarm system, or both, approved by us on the residence premises. You agree to maintain this system in working order and to notify us promptly of any change made to the system or if it is removed. A fire alarm system includes an automatic sprinkler system.</p> <p>All other terms and conditions of the policy remain unchanged.</p>	<p>The limit of this coverage is 10% of your Coverage A limit, unless a higher limit is shown in the Policy Declarations.</p> <p>We do not cover:</p> <ol style="list-style-type: none"> Loss in value to any dwelling or other structure due to the requirements of any ordinance or law. The costs of complying with any ordinance or law requiring testing, monitoring, clean up, removal, containment, remediation or other response to or assessment of pollutants in or on any covered dwelling or structure. 	<p>SECTION I – PROPERTY COVERAGES, COVERAGE C – PERSONAL PROPERTY, Special Limits of Liability, Item 11 is hereby deleted and replaced with the insurance described in this endorsement. No deductible applies to this coverage.</p> <p align="center">DEFINITIONS</p> <p>The following are added to the definitions that appear in your insurance policy:</p> <ol style="list-style-type: none"> "Computer program" means data in the form of instructions used to direct electronic data processing equipment to perform a task. "Computer system" means electronic data processing equipment, including its components. However, computer system does not include computer programs, other data, or media. "Data" means facts, concepts, or instructions that are recorded on media. "Media" means the material on which data is recorded, such as magnetic tapes, disc packs, floppy discs, or compact discs. "Occurrence" means, with respect to this endorsement only, a loss to property insured caused by one or more perils we insure against by application of this endorsement.
<p>Personal injury does not include any of the following:</p> <ol style="list-style-type: none"> Liability assumed by an insured under any contract or agreement. This does not include any indemnity obligations assumed by an insured under a written contract directly relating to the ownership, the maintenance or the use of the premises. Injury caused by a violation of a penal law or ordinance committed by or with the knowledge or consent of an insured. Liability or injury arising out of an act committed by an insured when that insured knew the act would violate another's rights and result in personal injury. Label, slander or defamation arising out of publication of material by the insured or at the insured's direction when the insured knew the material was false. Label, slander or defamation arising out of a publication of material when the first publication of the material occurred prior to the inception of this policy. Liability or injury resulting from exposure to pollutants, mold or fungi. 	<p>ENDORSEMENT No. PO14 (Ed. 3) Limited Animal Liability Coverage</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>For additional premium, this policy provides limited coverage for liability arising from dogs, domestic cats, or birds. This coverage is limited to the amount of coverage indicated in the policy Declarations. This coverage does not apply, at any time, regardless of cause, to any liability arising from any animal other than a dog, domestic cat, or bird. Liability arising out of any of the following types of dogs is excluded:</p> <ol style="list-style-type: none"> Pit Bulls; Doberman Pinsers; Rottweilers; German Shepherds; Chows; AKC's; Huskies; Malamutes; Bull Mastiffs; or Stafford Shire Terriers. 	<p>ENDORSEMENT No. PO17 (Ed. 3) Increased Unscheduled Jewelry and Silverware Limits</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>This endorsement changes SECTION I – PROPERTY COVERAGES, COVERAGE C – PERSONAL PROPERTY, Special Limits of Liability, Items 8 and 9.</p>	<p>ENDORSEMENT No. PO18 (Ed. 3) Personal Computer Equipment Coverage</p> <p>This endorsement changes your policy. Please read it carefully.</p>
<p>ENDORSEMENT No. PO18 (Ed. 3) Personal Computer Equipment Coverage</p> <p>This endorsement changes your policy. Please read it carefully.</p> <p>All other terms and conditions of the policy remain unchanged. Please read your policy.</p>	<p>PROPERTY INSURED</p> <p>We cover each of the following for the limit of liability which is shown in the Declarations, subject to the maximum limits identified for each item below.</p> <ol style="list-style-type: none"> A computer system valued at no more than \$10,000. 	<p>PROPERTY INSURED</p> <p>We cover each of the following for the limit of liability which is shown in the Declarations, subject to the maximum limits identified for each item below.</p> <ol style="list-style-type: none"> A computer system valued at no more than \$10,000. 	<p>PROPERTY INSURED</p> <p>We cover each of the following for the limit of liability which is shown in the Declarations, subject to the maximum limits identified for each item below.</p> <ol style="list-style-type: none"> A computer system valued at no more than \$10,000.

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<p>2. Computer programs and media purchased from a commercial source valued at no more than \$10,000.</p> <p>3. Data recreation valued at no more than \$2,000.</p> <p>The insurance coverage provided by this endorsement applies to loss which occurs anywhere in the world.</p> <hr/> <p style="text-align: center;">PERILS INSURED AGAINST</p> <hr/> <p>We will pay for direct and accidental loss or damage to property insured, caused by any peril not excluded under EXCLUSIONS – LOSSES NOT COVERED and subject to the limits of liability listed in the Declarations.</p> <hr/> <p style="text-align: center;">EXCLUSIONS – LOSSES NOT COVERED</p> <hr/> <p>This endorsement does not insure against loss, damage or expense caused directly or indirectly by any one or more of the following items.</p> <ol style="list-style-type: none"> 1. Any loss excluded under Section I – Exclusions. 2. Any loss caused by: <ol style="list-style-type: none"> a. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to: <ol style="list-style-type: none"> i. Maintain heat in the building; or ii. Shut off water supply and drain all system and appliances of water; <p>However, if the residence premises is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.</p> <p>For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.</p> <ol style="list-style-type: none"> b. Theft in or to a dwelling under construction, until the dwelling is finished and occupied. c. Mold, fungus, or wet rot; 	<p>d. Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the residence premises is unoccupied.</p> <p>e. Dampness of atmosphere or extremes of temperature unless the direct cause of loss is: <ol style="list-style-type: none"> i. Rain or snow; or ii. Sleet or hail; </p> <p>f. Refinishing, renovating, or repairing property.</p> <p>g. Collision, other than collision with a land vehicle, sinking, swamping or stranding of watercraft of all types, including their: <ol style="list-style-type: none"> i. Trailers; ii. Furnishings; iii. Equipment; and iv. Outboard engines or motors; </p> <p>h. Acts or decisions, including the failure to act or decide, of any: <ol style="list-style-type: none"> i. Person or group; or ii. Organization or governmental body. <p>However, any ensuing loss not excluded in this policy is covered:</p> <ol style="list-style-type: none"> i. Wear and tear, marring, deterioration; j. Mechanical breakdown, latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself; k. Smog, rust or other corrosion or dry rot; l. Smoke from: <ol style="list-style-type: none"> i. Agricultural smudging, or ii. Industrial operations. </p> <p>m. Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by one or more of the Perils Insured Against that apply under Coverage C – Personal Property of the policy form.</p> <p>Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.</p>
<p>n. Settling, shrinking, bulging or expansion, including resultant cracking, of: <ol style="list-style-type: none"> i. Pavements or patios; ii. Footing or foundations; iii. Walls or Floors; iv. Roofs or ceilings; v. Bulkheads; o. Any animal. </p> <p>Your policy does not provide additional coverage for the items that are insured by this endorsement. Any items that are scheduled separately are covered by the schedule and not this endorsement.</p> <p>This coverage does not: <ol style="list-style-type: none"> 1. Increase the Coverage C – Personal Property limit of liability; 2. Modify any provision that applies to Coverage C – Property Not Covered. </p> <p>All other terms and conditions of the policy remain unchanged.</p> <hr/> <p style="text-align: center;">ENDORSEMENT No. PO19 (Ed. 2) Home Freezer Contents Coverage</p> <hr/> <p>This endorsement changes your policy. Please read it carefully.</p> <p>We will pay up to \$500 for loss to covered property stored in a freezer or refrigerator which is located on the residence premises. This coverage is additional insurance. No deductible applies to this coverage.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <hr/> <p style="text-align: center;">ENDORSEMENT No. PO28 (Ed. 3) Increased Unscheduled Property Used in Business (On Premises)</p> <hr/> <p>This endorsement changes your policy. Please read it carefully.</p> <p>This endorsement changes SECTION I – PROPERTY COVERAGES, COVERAGE C – PERSONAL PROPERTY, Special Limits of Liability, item 2.</p> <ol style="list-style-type: none"> 2. \$7,500 property, on the residence premises, used at any time or in any manner for any business purpose. <p>No other special limits of liability are altered by this endorsement.</p> <p>All other terms and conditions of the policy remain unchanged. Please read your policy.</p> <hr/> <p style="text-align: center;">ENDORSEMENT No. PO38 (Ed. 2) Townhouse or Row House Firewall Limit</p>	<p>This endorsement changes your policy. Please read it carefully.</p> <p>A “firewall” is defined as a passive fire protection system that serves as a barrier between individual family units. The firewall must have a fire resistance rating of one-hour or that meets applicable building codes, whichever is greater.</p> <p>It is understood and agreed that, as a condition of your policy, a firewall must separate each individual family unit within the building where the insured dwelling is located, and it must extend from the lowest level through to the roof of the unit. If no firewall is present between each unit, or the firewall does not meet the criteria set forth above, all coverage for loss or damage due to fire or smoke is limited to a total of \$50,000. This special limit applies regardless of the total limit or limits stated on the declarations for all coverages that apply to the loss.</p> <p>All other terms and conditions of the policy remain unchanged.</p> <hr/> <p style="text-align: center;">ENDORSEMENT No. PO39 (Ed. 2) Difference in Conditions Endorsement for HO-3 Policies</p> <hr/> <p>This endorsement changes your policy. Please read it carefully.</p> <p>This endorsement restricts the coverage afforded by your policy.</p> <p>For a reduced premium, this endorsement eliminates coverage under our insurance for certain perils because you have other insurance which covers those perils.</p> <hr/> <p style="text-align: center;">SECTION I – COVERAGE A – Dwelling, COVERAGE B – Other Structures, COVERAGE C – Personal Property, COVERAGE D – Loss of Use, & ADDITIONAL COVERAGES</p> <p>Loss or damage caused by any one or more of the following Perils is not covered under your policy:</p> <ol style="list-style-type: none"> 1A. Fire or Lightning. 1B. Internal Explosion, meaning explosion occurring in the dwelling or other structure covered on the insured location or in a structure containing personal property covered. 2. Windstorm or Hail. 3. Explosion. 4. Riot or Civil Commotion. 5. Aircraft, including self-propelled missiles and spacecraft. 6. Vehicles. 7. Smoke, meaning sudden and accidental damage from smoke. 8. Volcanic Eruption. 9. Vandalism or Malicious Mischief. 10. Any loss excluded in Section I - Exclusions <p>We will not cover loss, damage or expense arising out of any of the causes of loss listed above in this</p>

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endorsement, even when your other insurance does not cover the loss or expense. If you fail to keep your other insurance in force, we will not cover any loss that would have been recoverable or due under your other insurance if it had been in full force and effect, whether collectible or not.

All other terms and conditions of the policy remain unchanged. Please read your policy.

**ENDORSEMENT No. PO40 (Ed. 3)
Limited Sewer or Drain Backup Coverage**

This endorsement changes your policy. Please read it carefully.

In SECTION I – EXCLUSIONS, the following exclusion:

3. **Water Damage**, meaning any loss caused by, resulting from, contributed to or aggravated by:
 - a. Flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
 - b. Water which backs up through sewers or drains;
 - c. Water which overflows from a sump or sump pump; or
 - d. Water below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.
- Direct loss by fire, explosion or theft, resulting from water damage is covered.
- Deleted and replaced by:

3. **Water Damage**, meaning any loss caused by, resulting from, contributed to or aggravated by:
 - a. Flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
 - b. Water which overflows from a sump or sump pump; or
 - c. Water below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.
- Direct loss by fire, explosion or theft, resulting from water damage is covered.

The limit of liability for losses resulting from water which backs up from a sewer or drain is specified in the Declarations. The limit of liability for Limited Sewer or Drain Backup Coverage is the maximum we will pay for loss to your dwelling, personal property, and loss of use, if applicable.

All other terms and conditions of the policy remain unchanged.

**ENDORSEMENT No. PO41 (Ed. 1)
Superior Home Protection Package**

This endorsement changes your policy. Please read it carefully.

For an additional premium, the following coverages and extensions of coverage are added to your policy.

Coverage D – Loss of Use

1. **Additional Living Expense**. The following paragraph is added:
If a power outage caused by a Peril Insured Against makes the **residence premises** uninhabitable, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living. Payment shall be for the shortest time required to repair or replace the premises or, if you permanently relocate, the shortest time required for your household to settle elsewhere. This period of time is limited to seven days. Coverage begins when the **residence premises** has been uninhabitable for 48 consecutive hours.
- Section I Exclusion 4 – Power Interruption does not apply to this coverage.

Section I – Additional Coverages

The following items are amended as indicated.

1. **Debris Removal**. Debris removal provisions are replaced by the following:
We will pay your reasonable expense for the removal of:
a. Debris of covered property, if a Peril Insured Against that applies to the damaged property causes the loss; or
b. Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual removal expense is more than the limit of liability for the damaged property, and additional 5% of that limit of liability is available for debris removal expense.

We will also pay your reasonable expense, up to \$1,000, for the removal from the **residence premises** of:

- a. Your tree(s) felled by the peril of Windstorm or Hail;
 - b. Your tree(s) felled by the peril of Weight of Ice, Snow or Sleet; or
 - c. A neighbor's tree(s) felled by a Peril Insured Against under Coverage C.
- The \$1,000 limit is the most we will pay in any one loss regardless of the number of fallen trees. No more than \$500 of this limit will be paid for removal of any one tree. This coverage is additional insurance.

4. **Fire Department Service Charge**. Fire Department Service Charge provisions are replaced by the following:

We will pay up to \$750 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. This coverage is additional insurance. No deductible applies to this coverage.

Credit Card, Fund Transfer Card, Forgery and Counterfeit Money. The amount we will pay is increased from \$500 to \$3,000.

11. **Personal Property Coverage Extension**. We will pay up to \$5,000 for damage to your personal property occurring while it is away from your **residence premises** caused by:
 - a. Flood (meaning rising water);
 - b. Earthquake;
 - c. Landslide, or
 - d. Collision or overturn of the conveyance in which your property is carried.

Lock Replacement Coverage. We will pay up to \$250 for locks or cylinders which are replaced as a direct result of stolen keys. We and the policy must be promptly notified of the theft. The locks must be replaced within 72 hours after the keys are stolen.

Keys are those to buildings and structures at the **residence premises**. We do not cover locks used with any vehicle, watercraft, or aircraft. Keys given to custodian are not considered stolen. We will pay the amount spent to repair or replace the locks or cylinders with ones of like kind and quality.

All other terms and conditions of the policy remain unchanged.

**ENDORSEMENT No. PO42 (Ed. 1)
IDENTITY THEFT EXPENSE AND
RESOLUTION SERVICES COVERAGE**

For an additional premium, the following Additional Coverage is added under Section I.

IDENTITY THEFT EXPENSE AND RESOLUTION SERVICES

We will pay up to \$25,000 for **expenses** incurred by an **insured** as the direct result of any one **identity theft** discovered during the policy period. Additionally, you will have access to **resolution services** from a consumer fraud specialist who will assist you in the process of restoring your identity.

Any act or series of acts committed by any one person or group of persons acting in concert or in which any one person or group of persons is concerned or implicated is considered to be one **identity theft**, even if a series of acts continues into a subsequent policy period.

DEFINITIONS

With respect to the provisions of this endorsement only, the following definitions are added:

1. **"Expenses"** means:
Costs for notarizing fraud affidavits or similar documents for financial institutions or similar credit grantors or credit agencies that have required that such affidavits be notarized.

2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.

3. Lost wages as a result of time taken off from work to meet with, or talk to, law enforcement agencies, credit agencies and/or legal counsel, or to complete fraud affidavits or due to wrongful incarceration arising solely from someone else having committed a crime in the **insured's** name, up to a maximum payment of \$1000 per week for a maximum period of five weeks. Lost wages shall not apply in the case of wrongful incarceration absent all charges being dropped or an acquittal of the insured.

4. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

5. Reasonable attorney fees incurred, with our prior consent, for:

- a. Defense of lawsuits brought against the **insured** by merchants or their collection agencies;
- b. The removal of any criminal or civil judgments wrongly entered against an **insured**; and
- c. Challenging the accuracy or completeness of any information in a consumer credit report.

6. Charges incurred for long distance telephone calls to merchants, law enforcement agencies, financial institutions or similar credit grantors, or credit agencies to report or discuss an actual **identity theft**.

7. **Insured** solely as a direct result of any one **identity theft**.

"Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of an **insured** with the intent to commit, or to aid or abet, any unlawful activity that constitutes a violation of Federal law or a felony under any applicable state or local law.

"Resolution services" provides a personal advocate assigned to victim who works one-on-one, from first call to crisis resolution. It also includes ordering your credit report, alerting credit reporting agencies, providing credit and fraud monitoring, and preparing necessary documentation and letters.

EXCLUSIONS

The following additional exclusions apply to this coverage. We do not cover:

1. Loss arising out of **business** pursuits of any **insured**.
2. **Expenses** incurred due to any fraudulent, dishonest or criminal act by an **insured** or any person acting in concert with an **insured**, or by any authorized representative of an **insured**, whether acting alone or in collusion with others.
3. Loss other than **expenses** or **resolution services**.

DEDUCTIBLE

No deductible applies to **identity theft** coverage.

YOUR DUTIES AFTER LOSS

The following is added under Condition 2, **Your Duties After Loss**, paragraph g.:

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(9) Receipts, bills or other records that support your claim for **expenses** under **identity theft** coverage. All other provisions of this policy apply.

**ENDORSEMENT No. PO43 (Ed. 1)
IDENTITY THEFT EXPENSE AND
RESOLUTION SERVICES COVERAGE WITH
ID ALERT**

For an additional premium, the following Additional Coverage is added under Section 1.

IDENTITY THEFT EXPENSE AND RESOLUTION SERVICES

We will pay up to \$25,000 for **expenses** incurred by an **insured** as the direct result of any one **identity theft** discovered during the policy period. Additionally, you will have access to **resolution services** from a consumer fraud specialist who will assist you in the process of restoring your identity.

Any act or series of acts committed by any one person or group of persons acting in concert or in which any one person or group of persons is concerned or implicated is considered to be one **identity theft**, even if a series of acts continues into a subsequent policy period.

DEFINITIONS
With respect to the provisions of this endorsement only, the following definitions are added:
"Expenses" means:
1. Costs for notarizing fraud affidavits or similar documents for financial institutions or similar credit grantors or credit agencies that have required that such affidavits be notarized.
2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.
3. Lost wages as a result of time taken off from work to meet with, or talk to, law enforcement agencies, credit agencies and/or legal counsel, or to complete fraud affidavits, or due to wrongful incarceration arising solely from someone else having committed a crime in the **insured's** name, up to a maximum payment of \$1000 per week for a maximum period of five weeks. Lost wages shall not apply in the case of wrongful incarceration absent all charges being dropped or an acquittal of the insured.
4. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.
5. Reasonable attorney fees incurred, with our prior consent, for:
a. Defense of lawsuits brought against the **insured** by merchants or their collection agencies.
b. The removal of any criminal or civil judgments wrongly entered against an **insured**, and
c. Challenging the accuracy or completeness of any information in a consumer credit report.
6. Charges incurred for long distance telephone calls to merchants, law enforcement agencies, financial institutions or similar credit grantors, or credit

agencies to report or discuss an actual **identity theft**.
7. Costs for daycare and eldercare incurred by an **insured** solely as a direct result of any one **identity theft**.

"Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of an **insured** with the intent to commit, or to aid or abet, any unlawful activity that constitutes a violation of Federal law or a felony under any applicable state or local law.

"Resolution services" provides a personal advocate assigned to victim who works one-on-one, from first call to crisis resolution. It also includes ordering your credit report, alerting credit reporting agencies, providing credit and fraud monitoring, and preparing necessary documentation and letters.

"ID Alert" provides a monthly proactive National Database screening and notification by phone or email of possible fraud of an insured that has provided Name, Address and Social Security Number.

EXCLUSIONS
The following additional exclusions apply to this coverage. We do not cover:
1. Loss arising out of **business** pursuits of any **insured**.
2. **Expenses** incurred due to any fraudulent, dishonest or criminal act by an **insured**, or by any person acting in concert with an **insured**, or by any authorized representative of an **insured**, whether acting alone or in collusion with others.
3. Loss other than **expenses** or **resolution services**.
DEDUCTIBLE
No deductible applies to **identity theft** coverage.

YOUR DUTIES AFTER LOSS
The following is added under Condition 2. **Your Duties After Loss**, paragraph g:
(9) Receipts, bills or other records that support your claim for **expenses** under **identity theft** coverage.

All other provisions of this policy apply.

**ENDORSEMENT No. PO44 (Ed. 2)
Extended Replacement Cost Coverage**

This endorsement changes your policy. Please read it carefully.

In the event of a covered loss to the **residence premises**, we will pay to repair or replace the damaged or destroyed dwelling with like or equivalent construction, up to 25% over the policy's limits of liability. Your policy will specify whether you must actually repair or replace the damaged or destroyed **residence premises** in order to recover extended replacement cost. The amount of recovery will be reduced by **your** deductible.

To be eligible to recover extended replacement cost coverage, you must insure the dwelling to its full replacement cost at the time the policy is issued, with possible periodic increases in the amount of coverage to

adjust for inflation. You must also notify us about any alterations that increase the value of the insured dwelling by a certain amount (see your policy for that amount). Read your Declaration to determine whether your policy includes coverage for building code upgrades.

All other terms and conditions remain unchanged.

**ENDORSEMENT No. PO52 (Ed. 1)
Homeowners Earthquake Endorsement**

This endorsement changes your policy. Please read it carefully.

For an additional premium, we insure for direct physical loss to property covered under Section 1 caused by earthquake including land shock waves or tremors, during or after a volcanic eruption.

- One or more earthquake shocks that occur within a seventy-two (72) hour period constitute a single earthquake.
- The deductible is 10% of the applicable limit of liability that applies to the loss. This deductible will apply separately to loss under Coverage A-Dwelling, Coverage B-Other Structures, and Coverage C-Personal Property. This deductible amount will not be less than \$1,000 in any one loss.

Special Exclusions
1. We do not over loss resulting directly or indirectly from floods of any nature or tidal wave, whether caused by, resulting from, contributed to or aggravated by earthquake.
2. We do not cover loss to exterior masonry veneer. The value of exterior masonry will be deducted before applying the deductible. For the purpose of this exclusion, stucco is not considered masonry veneer.

This coverage does not increase the limits of liability stated in the Declarations and does not include the cost of filling, grading, or repairing land.

SECTION 1 – EXCLUSIONS, item 2, Earth movement does not apply to loss caused by earthquake including land shock waves or tremors before, during or after a volcanic eruption.

All other provisions of this policy apply.

**ENDORSEMENT No. PO53 (Ed. 1)
Preferred Theft Coverage**

This endorsement changes your policy. Please read it carefully.

SECTION 1 – PERILS INSURED AGAINST COVERAGE C – PERSONAL PROPERTY, item 9, is hereby deleted in its entirety and replaced by the following:

- Theft.**
This peril does not include loss caused by theft:
a. Committed by an **insured**.
b. In or to a dwelling under construction, or of materials and supplies for use in

the construction until the dwelling is occupied.
This peril does not include loss caused by theft that occurs to property on the **residence premises** if the dwelling is **unoccupied**. This peril does not include loss caused by theft that occurs to property on the **residence premises** by an **insured**, relative, tenant, guest, invitee or licensee.

All other terms and conditions remain unchanged.

POLICY SERVICE

NOTE: You MUST refer to your policy number when asking for information.

PACIFIC SPECIALTY INSURANCE COMPANY

P. O. Box 40
Anaheim, CA 92815-0040
(714) 998-2190
(800) 303-5000
(714) 998-3158 Fax

3601 Haven Avenue
Menlo Park, CA 94025-1010
(650) 780-4800
(800) 828-3003

FOR REPORTING OF CLAIMS:
Please Call:
800-362-1172

POLICY NUMBER MUST ACCOMPANY CLAIM REPORT AND ALL CORRESPONDENCE

If you have a complaint, the following should be contacted **ONLY** after you have contacted your agent, the general agent of the company and they have failed to produce a satisfactory solution.

Consumer Services Bureau
California Department of Insurance
300 S. Spring Street
Los Angeles, CA 90013
1-800-927-4357