

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL EXTENDED COVERAGE
WITH LIMITED FUNGI, OTHER MICROBES OR ROT REMEDIATION
(Form HO-A only)**

DEFINITIONS

The following definition is added:

10. "Fungi"

- a. "**Fungi**" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by **fungi**.
- b. Under Section II, this does not include any **fungi** that are, are on, or are contained in, a product or goods intended for consumption.

SECTION I – PROPERTY COVERAGE

EXTENSIONS OF COVERAGE

2. LOSS OF USE is amended as follows:

The total limit of liability for all loss of use of 10% of the Coverage A (Dwelling) limit of liability is changed to 20% of the Coverage A (Dwelling) limit of liability.

This Extension of Coverage does not apply to additional living expense or fair rental value due to **fungi**, other microbes or rot remediation ensuing from Perils Insured Against **9.**, **10.**, **11.**, **12.**, **13.**, **14.**, **15.**, or **16.** below.

The following Extension of Coverage is added:

8. LIMITED FUNGI, OTHER MICROBES OR ROT REMEDIATION

This Extension of Coverage applies only if a limit of liability is shown for LIMITED **FUNGI**, OTHER MICROBES OR ROT REMEDIATION in the Declarations.

- a. If a loss caused by Perils Insured Against **9.**, **10.**, **11.**, **12.**, **13.**, **14.**, **15.**, or **16.** below results in **fungi**, other microbes or rot, we will pay for:
 - (1) remediation of the **fungi**, other microbes or rot. This includes payment for the reasonable and necessary cost to:
 - (a) remove the **fungi**, other microbes or rot from covered property or to repair, restore or replace that property; and
 - (b) tear out and replace any part of the building as needed to gain access to the **fungi**, other microbes or rot;

- (2) any reasonable and necessary increase in living expense you incur so that your household can maintain its normal standard of living or loss of fair rental value if the **fungi**, other microbes or rot makes the **residence premises** wholly or partially untenable; and

- (3) any reasonable and necessary testing or monitoring of air or property to confirm the absence, presence or level of the **fungi**, other microbes or rot whether performed prior to, during or after removal, repair, restoration or replacement.

- b. We will pay under this Extension of Coverage only if:

- (1) the covered loss occurs during the policy period;

- (2) all reasonable means were used to save and preserve the property at the time of and after the covered loss; and

- (3) we receive prompt notice of the covered cause of loss that is alleged to have resulted in **fungi**, other microbes or rot.

- c. The most we will pay under this Extension of Coverage is the limit of liability shown in the Declarations for LIMITED **FUNGI**, OTHER MICROBES OR ROT REMEDIATION. This is the most we will pay for the total of all loss or costs regardless of the:

- (1) Number of locations of items of property insured under this policy; or

- (2) Number of losses or claims made.

- d. This is not additional insurance and does not increase the limit of liability that applies to the damaged property.

SECTION I – PERILS INSURED AGAINST

The following perils are added:

9. **Sudden and accidental tearing apart, cracking, burning or bulging of steam or hot water heating or storage systems in a building.** The loss must be caused by pressure of water or steam in the system or the deficiency of water or steam in the system.

10. Vehicles owned or operated by an **insured** or by a tenant of the **residence premises**. Loss must result from actual physical contact of a vehicle with covered property or with the building containing the covered property.

11. Fall of trees or limbs, including felling, topping or trimming.

12. Objects falling from the weight of ice, snow or sleet.

13. Collapse

- a. Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.
- b. 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.
- c. 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.
- d. A building or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

We do not cover loss resulting from subsidence.

14. Breakage of glass which is part of the building including glass in storm doors and storm windows.

15. Sudden and Accidental Discharge or Overflow of Water or Steam from within a plumbing, heating or air conditioning system or household appliance.

- a. We cover the cost of tearing out and replacing that part of the dwelling structure, excluding the slab or foundation, necessary to repair or replace the system or appliance. But this coverage does not include loss to the system or appliance from which the water or steam escaped.
- b. We do not cover sudden and accidental discharge, or overflow of water or steam from within a plumbing, heating or air conditioning system or household appliance that is either below the surface of the ground or is within or below the slab or foundation of the dwelling.
- c. We do not cover loss caused by constant or repeated seepage or leakage of water or steam that occurs over a period of 14 days or more.

d. We do not cover loss caused by or resulting from freezing except as provided in Peril Insured Against **16. Freezing**.

e. In this peril, 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.

16. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance.

a. This peril does not include a loss caused by or resulting from freezing if you have not used reasonable care to:

- (1) Maintain heat in the building; or
- (2) Shut off the water supply and drain all systems and appliances of water.

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

b. In this peril, 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.

SECTION I – EXCLUSIONS

Section I – Exclusions are deleted and replaced by the following:

A. The following exclusions apply to loss to property described in Coverages A and B. However, ensuing loss not excluded by any other provision in this policy is covered.

- 1. We do not cover loss to electrical devices or wiring caused by electricity other than lighting.
- 2. We do not cover loss to outdoor equipment, fences, driveways, walks, lawns, trees, shrubs and plants or retaining walls and bulkheads not part of the building.

This exclusion applies only to perils **3., 10., 11., 12. and 13.**

B. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Earth Movement.

Earth movement means:

- a. Earthquake including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide, or mudflow;
- c. Subsidence;
- d. Sinkhole; or
- e. Any other earth movement including earth sinking, rising or shifting;

caused by or resulting from human or animal forces or any act of nature of any other cause.

This exclusion does not apply to any ensuing direct loss by fire, explosion or theft resulting from earth movement.

2. Water Damage.

Water Damage means:

- 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 or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or
- c. Water or water-borne material 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;

caused by or resulting from human or animal forces or any act of nature of any other cause.

This exclusion does not apply to any ensuing direct loss by fire, explosion or theft resulting from water damage.

3. Building Laws.

Building Laws means any ordinance or law regulating the construction, repair or demolition of a building or structure.

“**Building Laws**” exclusion is modified to provide coverage only to the extent described under Perils Insured Against.

- a. Coverage Provided.

You may use up to \$5,000 (at no additional

premium) for the increased costs that you incur due to the enforcement of any ordinance or law, which requires or regulates:

- (1) the construction, demolition or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
- (2) the demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
- (3) the remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.

You may use all or part of this coverage to pay for the increased costs you incur to remove debris resulting from the construction, repair or replacement of property as stated in **a.** above.

This is additional insurance and does not reduce the Coverage A (Dwelling) limit of liability.

- b. Building Ordinance or Law Coverage Limitations.

We will not pay for the increased cost of construction:

- (1) if the building or structure is not rebuilt or repaired;
- (2) if the rebuilt or repaired building or structure is not intended for the same type occupancy as the current building or structure;
- (3) until the building or structure is actually repaired or rebuilt at the same premises; or
- (4) unless the rebuilding or repairs are made as soon as reasonably possible after the loss or damage, not to exceed 365 days after loss unless you have requested in writing that this time be extended for an additional 180 days.

c. We do not cover:

- (1) the loss in value to any covered building or other structure due to the requirements of any ordinance or law;
or
- (2) the costs to comply with any ordinance or law which requires any **insured** or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, assess the affects of, pollutants on any covered building or other structure.

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.

- d. If the insured property is located in an area which is eligible for coverage through the Texas Windstorm Insurance Association, the coverage described above also applies to the increased cost you incur due to the repair, replacement or demolition required for the dwelling to comply with the building specifications contained in the Texas Windstorm Insurance Association's plan of operation.

4. **Fungi, Other Microbes or Rot.**

Fungi, other microbes or rot means any loss or cost resulting from, arising out of, caused by, consisting of, or related to, **fungi**, other microbes or rot. This exclusion does not apply to **fungi**, other microbes or rot remediation costs:

- a. that may be afforded under Extension of Coverage 8.
- b. that ensues from one or more perils numbered 1. through 8. in this HO-A policy.

5. **Government Action.**

Government Action means the destruction, confiscation or seizure of property described in Coverage A or B by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy

6. **War.**

War includes the following and any consequence under this policy.

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

7. **Nuclear Damage.**

Nuclear damage means loss resulting directly or indirectly from nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused. We cover direct loss by fire resulting from nuclear reaction, radiation or radioactive contamination.

8. **Settling, Cracking, Bulging, Shrinkage or Expansion of Specific Property.**

Settling, Cracking, Bulging, Shrinkage or Expansion of Specific Property means any loss arising out of, caused by, consisting of or related to settling, cracking, bulging, shrinkage, or expansion of foundations, walls, floors, ceiling, roof structures, walks, drives, curbs, fences, retaining walls or swimming pools, regardless of whether such loss ensues from any loss, including a loss involving water or water damage which is covered under this policy. However, settling, cracking, bulging, shrinkage, or expansion as a direct result of collapse of a building is covered.

SECTION II – EXCLUSIONS

The following exclusion is added under item 1. and applies to **Coverage C (Personal Liability)** and **Coverage D (Medical Payments To Others)**:

- m. **bodily injury** or **property damage** whether directly or indirectly arising out of, consisting of, caused by, contributed to, aggravated by or resulting from **fungi**, other microbes or rot. This includes:

- (1) the cost of testing, monitoring, abating, mitigating, removing, remediating or disposing of **fungi**, other microbes or rot;
- (2) any supervision, instruction, disclosures, or failures to disclose, recommendations, warnings, or advice given, or that allegedly should have been given, in connection with **bodily injury** or **property damage** whether directly or indirectly arising out of, consisting of, caused by, contributed to, aggravated by or resulting from **fungi**, other microbes or rot, or the activities described in **m.(1)** above;
- (3) any obligation to share with or repay another who must pay damages because of **bodily**

injury or **property** damage of the type described in this exclusion. This applies regardless of any other cause that contributed directly or indirectly, concurrently or in any sequence to the **bodily injury** or **property damage**; and

- (4) liability imposed upon any **insured** by any governmental authority for **bodily injury** or **property damage** whether directly or indirectly arising out of, consisting of, caused by, contributed to, aggravated by or resulting from **fungi**, other microbes or rot.

All other provisions of this policy apply.