

SPECIAL PROVISIONS – TEXAS

(Use with Forms HO-A and HO-CON-B)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEFINITIONS

The following definitions are added:

10. "Personal watercraft" means watercraft designed to carry one to three people, propelled by engine power, and capable of speeds greater than 25 MPH. Personal watercraft include, but are not limited to watercraft often referred to as jet skis, wave runners, and similar watercraft.
11. "Vacant" means the dwelling lacks the necessary amenities, adequate furnishings, or utilities and services to permit occupancy of the dwelling as a residence.

SECTION I – PROPERTY COVERAGES

COVERAGE B (PERSONAL PROPERTY)

Special Limits of Liability

The following items are added:

5. \$2500 for loss by theft of firearms.

SECTION I – EXCLUSIONS

Exclusion 6. is deleted and replaced by the following:

6. We do not cover loss consisting of, resulting from, arising out of or in any way caused by mold, fungi, wet rot, dry rot, or other microbes.

We do not cover the cost of remediation, including testing of ensuing mold, fungi, wet rot, dry rot, or other microbes. We do not cover any increase in expenses for Loss of Use and/or Debris Removal due to remediation and testing of ensuing mold, fungi, wet rot, dry rot, or other microbes.

This exclusion applies unless the mold, fungi, wet rot, dry rot, or other microbes are located upon the portion of the covered property which must be repaired or replaced because of direct, visible physical damage resulting from a loss covered by this policy.

SECTION I – CONDITIONS

Item 13. **Vacancy** is deleted and replaced by the following (added as item 14. in form HO-CON-B):

13. **Vacancy.** Coverage that applies under Coverage A (Dwelling) and under Coverage B (Personal Property) will be suspended effective 30 days after the dwelling becomes **vacant**. This coverage will remain suspended during such vacancy.

SECTION II – EXCLUSIONS

Under 1. Coverage C (Personal Liability) and Coverage D (Medical Payments to Others), items f. and g. are deleted and replaced by the following:

- f. **bodily injury** or **property damage** arising out of the ownership, maintenance, operation, use, loading, or unloading of:
 - (1) motor or engine propelled vehicles or machines designed for movement on land, including attached machinery or equipment;
 - (2) trailers, semi-trailers, or mobile homes which are owned or operated by or rented or loaned to an **insured**.

However, this exclusion does not apply to:

- (1) motor vehicles which are not subject to motor vehicle registration and are:
 - (a) used for assisting the handicapped;
 - (b) used to service an **insured location**;
 - (c) golf carts while on the residence premises or used for golfing purposes; or
 - (d) in dead storage on the residence premises.
- (2) trailers or semi-trailers while not being towed by or carried on a motor vehicle.

This exclusion does 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.

- g. **bodily injury** or **property damage** arising out of:
 - (1) the ownership, maintenance, operation, use, loading, or unloading of and excluded watercraft as defined below;
 - (2) the entrustment by an **insured** of an excluded watercraft described below to any person; or
 - (3) vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an excluded watercraft described below.

Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor including **personal watercraft**, or are sailing vessels, whether owned or rented to an **insured**.

This exclusion does not apply to watercraft:

- (1) that are not **personal watercraft** or sailing vessels and are powered by:
 - (a) inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an **insured**;

- (b) inboard or inboard-outdrive engine or motor power of more than 50 horsepower not owned by or rented to an **insured**;
 - (c) one or more outboard engines or motors with 25 total horsepower or less; or
 - (d) one or more outboard engines or motors with more than 25 horsepower if the outboard engine or motor is not owned by an **insured**.
- (2) that are sailing vessels, with or without auxiliary power:
- (a) less than 26 feet in overall length; or
 - (b) 26 feet or more in overall length, not owned by or rented to an **insured**.
- (3) That are stored on the **residence premises**.

SECTION II – EXCLUSIONS

Under 1. Coverage C (Personal Liability) and Coverage D (Medical Payments to Others), the following items are added:

- m. **bodily injury** or **property damage** arising out of actual or alleged sexual molestation or harassment, corporal punishment, or physical or mental abuse.

For the purposes of this exclusion, abuse means an act which is committed with the intention to cause harm.

- n. **bodily injury** or **property damage** arising out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance(s) as defined under Federal Law. Controlled Substances include, but are not limited to, cocaine, LSD, marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.
- o. **bodily injury** or **property damage** arising out of the actual or alleged ingestion, inhalation, absorption, or exposure in any way to toxic mold spores. We shall not defend or indemnify for any loss, demand, suit, or order, including any claim or suit by or on behalf of a government authority or agency relating to testing, monitoring, cleaning up, removing, containing, treating, detoxifying, abating, neutralizing, or in any way responding to, or assessing the effects of toxic mold.
- p. **bodily injury** or **property damage** arising out of the ownership or use of a trampoline owned by, rented by, or loaned to an **insured**, whether on the **residence premises** or any other location.
- q. **bodily injury** or **property damage** caused by any animal owned by or kept by an **insured**, whether or not the injury or damage occurs on the **residence premises** or any other location.

SECTION II – CONDITIONS

Under 4. Duties of an Injured Person – Coverage D (Medical Payments to Others), the following is added:

- c. at our request, submit to a recorded statement.

SECTION I and II – CONDITIONS

The following condition is added:

10. Our Right to Recover Payment

- a. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another, we shall be subrogated to that right. That person shall do:
 - (1) whatever is necessary to enable us to exercise our rights; and
 - (2) nothing after loss to prejudice them.
- b. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
 - (1) hold in trust for us the proceeds of the recovery; and
 - (2) reimburse us to the extent of our payment.

All other provisions of this policy apply.