

# Table of Contents

<b>Chapter 1: An Overview</b> .....	<b>1</b>
Introduction .....	1
Forms Overview .....	1
Eligibility: Homeowners Forms .....	3
Eligibility: Tenant Homeowners .....	6
Eligibility: Unit Owners .....	6
Eligibility: Seasonal Property .....	6
Eligibility: Farm Property .....	7
Eligibility: Mobile Homes .....	7
Eligibility: Incidental Occupancy .....	8
Eligibility: Home-Based Business .....	9
Limits of Liability .....	9
Rating Information .....	12
<b>Chapter 2: What's Covered</b> .....	<b>15</b>
Introduction .....	15
Definitions .....	15
Coverage A, Dwelling .....	17
What Is Included under Coverage A .....	19
Coverage B, Other Structures .....	20
Coverage C, Personal Property .....	23
Business Personal Property .....	26
Property at Other Locations .....	26
Coverage for Personal Property .....	28
Coverage D, Loss of Use .....	29
Boarding a Pet—Additional Living Expense .....	31
Receipts for Additional Living Expense .....	33
<b>Chapter 3: The Additional Coverages</b> .....	<b>35</b>
Introduction .....	35
Debris Removal .....	36
Storm Damage and Debris Removal .....	38
Reasonable Repairs .....	40
Trees, Plants, Shrubs, and Lawns .....	41
Coverage for Loss to Medical Marijuana? .....	43
Fire Department Service Charge .....	43
Property Removed .....	44
Unauthorized Use of Credit Cards .....	44

Loss Assessment . . . . .	46
Collapse . . . . .	47
Collapse Coverage . . . . .	49
Glass or Glazing Material . . . . .	49
Landlord’s Furnishings . . . . .	50
Additions and Alterations . . . . .	51
Ordinance or Law . . . . .	51
Are Association Bylaws Ordinance or Law? . . . . .	53
Grave Markers . . . . .	53
Association Deductible . . . . .	54
Liquid Fuel Remediation . . . . .	54
Refrigerated Food Spoilage . . . . .	55
Lock and Garage Door Transmitter Coverages . . . . .	55
Computers, Computer Media, and Computer Software Coverage . . . . .	56
Portable Electronic Equipment, Cassette Tapes, Compact Disks, and other Media Coverage . . . . .	56
Consequent Loss Coverage . . . . .	56
Work Interruption Coverage . . . . .	57
Lock Replacement Coverage . . . . .	57

**Chapter 4: Limitations; Property Not Covered. . . . . 59**

Introduction . . . . .	59
Definition of <i>Business</i> . . . . .	60
Limitations . . . . .	61
Coverage for Fishing Equipment . . . . .	64
How the Deductible Applies to the Special Limits . . . . .	72
Property Not Covered . . . . .	73
A Vehicle Used to Service Premises . . . . .	77
Theft of Calling Card . . . . .	80

**Chapter 5: The Named Perils Coverages . . . . . 83**

Introduction . . . . .	83
Fire or Lightning . . . . .	83
Is Overheating a Fire? . . . . .	84
Property Accidentally Thrown into a Fire . . . . .	85
Windstorm or Hail . . . . .	85
Wind or Falling Object? . . . . .	88
Explosion . . . . .	89
Gunfire as Explosion . . . . .	90
Riot or Civil Commotion . . . . .	90
Aircraft . . . . .	91
Vehicles . . . . .	92

A Boat as a Conveyance . . . . .	93
Smoke . . . . .	93
Vandalism or Malicious Mischief . . . . .	94
Theft. . . . .	96
AAIS Theft Peril . . . . .	98
MSO Theft Peril . . . . .	99
Falling Objects. . . . .	99
Damage from a Falling Object . . . . .	100
Weight of Ice, Snow, or Sleet . . . . .	100
Accidental Discharge or Overflow of Water. . . . .	101
Water Damage from Hosepipe Accidentally Left On . . . . .	102
Sudden and Accidental Tearing Apart. . . . .	104
Freezing. . . . .	104
Sudden and Accidental Damage—Artificially Generated Current . . . . .	105
Volcanic Eruption . . . . .	106
Sinkhole Collapse . . . . .	106
Glass Breakage . . . . .	107

**Chapter 6: Open Perils Coverage; General Policy Exclusions. . . . . 109**

Introduction . . . . .	109
Exclusions Applying to Coverages A and B. . . . .	110
Inherent Vice? . . . . .	118
Damage Caused by an Animal . . . . .	119
Coverage for Wind-Driven Oil? . . . . .	121
General Property Exclusions—Concurrent Language Precludes Coverage . . . . .	123
Ordinance or Law—Clean up of Pollutants? . . . . .	125

**Chapter 7: Conditions Applying to Property Coverages . . . . . 139**

Introduction . . . . .	139
Insurable Interest and Limit of Liability. . . . .	139
Deductible . . . . .	140
Duties Following a Loss . . . . .	141
Loss Settlement Provisions . . . . .	147
Line-Item Estimates?. . . . .	152
Loss to a Pair, Set, or Parts . . . . .	153
Appraisal . . . . .	153
Other Insurance, Service Agreement, and Government Fund . . . . .	155
Personal Articles Separately Insured. . . . .	156
Suit against Us. . . . .	157
Our Option. . . . .	157
Use of “May”. . . . .	158

Loss Payment . . . . .	158
Abandonment of Property . . . . .	159
Mortgage Clause . . . . .	159
No Benefit to Bailee . . . . .	160
Nuclear Hazard Clause . . . . .	161
Recovered Property . . . . .	161
Volcanic Eruption Period. . . . .	162
Policy Period . . . . .	162
Concealment of Fraud . . . . .	163
Loss Payable Clause . . . . .	165
Miscellaneous AAIS Property Conditions . . . . .	166
Miscellaneous MSO Property Conditions. . . . .	166
<b>Chapter 8: Liability Coverages and Exclusions, Part I . . . . .</b>	<b>169</b>
Introduction . . . . .	169
Features . . . . .	169
Personal Liability Insuring Agreement . . . . .	170
Medical Payments Insuring Agreement . . . . .	179
Exclusions—Liability and Medical Payments . . . . .	182
“Servicing” a Premises . . . . .	188
<b>Chapter 9: Liability Coverages and Exclusions, Part II. . . . .</b>	<b>199</b>
Introduction . . . . .	199
Exclusions—Liability and Medical Payments . . . . .	199
Is Assisted Living Facility an Insured Location? . . . . .	200
Exclusions Applicable to Liability Only . . . . .	204
Coverage for Rented Hall . . . . .	205
Waterbed Liability . . . . .	207
MSO Liability Exclusions. . . . .	212
Exclusions Applicable to Medical Payments Only . . . . .	212
Section II Additional Coverages . . . . .	214
<b>Chapter 10: Conditions Applying to Liability Coverages. . . . .</b>	<b>221</b>
Introduction . . . . .	221
Limit of Liability . . . . .	221
Severability of Insurance. . . . .	222
Duties after an Occurrence . . . . .	226
Duties of an Injured Person. . . . .	229
Payment of Claim under Medical Payments. . . . .	230
Suit against the Insurer . . . . .	230
Bankruptcy of an Insured . . . . .	231
Other Insurance . . . . .	231

Policy Period . . . . .	232
Concealment or Fraud . . . . .	232
<b>Chapter 11: General Policy Conditions . . . . .</b>	<b>235</b>
Introduction . . . . .	235
Concealment or Fraud: Voiding a Policy . . . . .	235
Liberalization Clause. . . . .	237
Waiver or Change of Policy Provisions. . . . .	238
Cancellation. . . . .	238
Nonrenewal . . . . .	241
Assignment . . . . .	241
Subrogation . . . . .	242
Death . . . . .	243
Additional AAIS and MSO Conditions. . . . .	244
<b>Chapter 12: Other Homeowners Forms. . . . .</b>	<b>247</b>
Introduction . . . . .	247
Coverage for Tenant Homeowners . . . . .	247
Coverage for Unit Owners . . . . .	250
Form HO 0001. . . . .	259
Form HO 0008 and HO 00 08—Limited Coverage . . . . .	259
Mobile Homeowners . . . . .	262
Open Perils Coverage—ISO HO 00 05, AAIS HO 0005, and MSO MHO 5. . . . .	263
<b>Chapter 13: Common Endorsements . . . . .</b>	<b>269</b>
Introduction . . . . .	269
Modifying the Insured. . . . .	270
Modifying Coverage A . . . . .	274
Modifying Coverage B . . . . .	278
Modifying Coverage C . . . . .	279
Modifying Loss Settlement . . . . .	285
Modifying “Business” Coverage. . . . .	288
Modifying Liability Coverage. . . . .	291
Amending the Mobile Homeowners . . . . .	295
Miscellaneous Endorsements . . . . .	296
<b>Chapter 14: Dwelling Fire Program . . . . .</b>	<b>299</b>
Introduction. . . . .	299
Why a Dwelling Fire Policy? . . . . .	299
What’s Different about a Dwelling Fire Policy?. . . . .	301
Coverages D, E, and Other Coverages . . . . .	306

Loss Settlement . . . . .	308
The Rest of the Policy . . . . .	309
Common Endorsements . . . . .	309
Changes in the 2014 Dwelling Program . . . . .	311
Personal Liability . . . . .	312
<b>Appendix A: Policy Forms . . . . .</b>	<b>315</b>
<b>Index . . . . .</b>	<b>457</b>
<b>Case Index . . . . .</b>	<b>465</b>