

# Enhanced Coverage Endorsement – Texas

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## DEFINITIONS

The following definition is added:

"Blanket Property Limit" means the total limit of liability available for all covered property under Section I Coverage **A** - Dwelling, Coverage **B** - Other Structures, Coverage **C** - Personal Property and Coverage **D** - Loss of Use. The "Blanket Property Limit" is shown in the Declarations.

## SECTION I - PROPERTY COVERAGES

### B. Coverage B – Other Structures

For Form **HO 00 03**, paragraph **3.** is deleted.

### C. Coverage C – Personal Property

Paragraph **2.** is replaced by the following:

#### 2. Limit For Property At Other Locations

##### a. Other Residences

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises", is 20% of the Coverage C. Personal Property Amount shown in the Declarations or \$5,000, whichever is greater. However, this limitation does not apply to personal property:

**(1)** Moved from the "residence premises" because it is:

**(a)** Being repaired, renovated or rebuilt; and

**(b)** Not fit to live in or store property in; or

**(2)** In a newly acquired principal residence for 30 days from the time you begin to move the property there.

##### b. Self Storage Facilities

Our limit of liability for personal property owned or used by an "insured" and located in a self-storage facility is 10% of the Coverage C. Personal Property Amount shown in the Declarations or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

**(1)** Moved from the "residence premises" because it is:

**(a)** Being repaired, renovated or rebuilt; and

**(b)** Not fit to live in or store property in; or

**(2)** Usually located in an "insured's" residence, other than the "residence premises".

(This is paragraph **A.2.** in form **HO 00 04** and **B.2.** in Form **HO 00 06.**)

### 3. Special Limits Of Liability

Special limits **a.** through **g.** are replaced by the following:

**a.** \$1,000 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, medals, scrip, stored value cards and smart cards.

**b.** \$5,000 on securities, accounts, deeds, evidence of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

This limit includes the cost to research, replace or restore the information from the lost or damaged material.

**c.** \$3,000 on watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors.

**d.** \$3,000 on trailers or semitrailers not used with watercraft of all types.

**e.** \$5,000 for loss by theft, misplacing or losing of jewelry, watches, furs, precious and semi-precious stones.

**f.** \$5,000 for loss by theft, misplacing or losing of firearms and related equipment.

**g.** \$5,000 for loss by theft, misplacing or losing of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, holloware, tea sets, trays and trophies made of or including silver, gold or pewter.

(This is Special Limits **A.3.** in Form **HO 00 04** and **B.3.** in Form **HO 00 06**, paragraphs **a.** through **g.**)

### D. Coverage D - Loss Of Use

The first sentence is deleted.

(This is **B. Coverage D – Loss Of Use** in Form **HO 00 04** and **C. Coverage D – Loss Of Use** in Form **HO 00 06**.)

## E. Additional Coverages

### 3. Trees, Shrubs and Other Plants

The last 2 paragraphs are replaced by the following:

For Form **HO 00 03**, we will pay up to 10% of the Coverage A. Dwelling Amount shown in the Declarations for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be paid for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

For Form **HO 00 06**, we will pay up to 10% of the Coverage C. Personal Property Amount shown in the Declarations for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be paid for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

(This is Additional Coverage **C.3** in Form **HO 00 04** and **D.3.** in Form **HO 00 06**.)

The following Section I Additional Coverages are added:

#### Lock Replacement Coverage

If your house keys are lost or stolen and you notify us of this in writing within 72 hours of the discovery, we will pay 50%, not to exceed \$500, of the cost to replace your house locks. The Section I deductible does not apply to this coverage.

This coverage is additional insurance.

#### Refrigerated Property Coverage

We insure, up to \$500, covered property stored in freezers or refrigerators on the "residence premises" for direct loss caused by change in temperature resulting from interruption of electrical service, caused by damage to generating or transmission lines or equipment or mechanical or electrical breakdown failure.

The Section I Power Failure exclusion does not apply to this coverage.

Special Deductible

We will pay only that part of the loss that exceeds \$100.

This coverage is additional insurance.

## SECTION I - CONDITIONS

The following condition is added:

## Blanket Property Limit

The "Blanket Property Limit" shown in the Declarations for the "residence premises" is the most we will pay for a covered loss. This "Blanket Property Limit" applies in the aggregate for all coverages under Section I – Property Coverages and the following Section I – Additional Coverages:

- a. Debris Removal;
- b. Reasonable Repairs;
- c. Property Removed;
- d. Collapse;
- e. Glass or Safety Glazing Material;
- f. Landlord's Furnishings;
- g. Limited Water Back-up And Sump Discharge Or Overflow Coverage;
- h. Limited Fungi or Microbes Coverage; and
- i. Grave Markers.

The other Section I - Additional Coverages apply in addition to the "Blanket Property Limit".

The following condition is replaced:

### Policy A Liquidated Demand

A fire insurance policy, in case of a total loss by fire of property insured, shall be held and considered to be a liquidated demand against the company for the full amount of such policy. This provision shall not apply to personal property.

For policies with the Enhanced Coverage Endorsement, in case of a total loss by fire of real property, the Blanket Property Limit listed on the Declarations Page shall not be held and considered to be the full amount of the policy for which a liquidated demand can be made against the company. For policies with the Enhanced Coverage Endorsement, in case of a total loss by fire, the dollar Amount listed under Coverage A. Dwelling on the Declarations Page shall be held and considered to be the full amount of the policy for which a liquidated demand can be made for total loss of the Dwelling. For policies with the Enhanced Coverage Endorsement, in case of a total loss by fire, the dollar Amount listed under Coverage B. Other Structures on the Declarations Page shall be held and considered to be the full amount of the policy for which a liquidated demand can be made for total loss of Other Structures.

## SECTION II - EXCLUSIONS

Exclusion B. "Watercraft Liability" is replaced by the following:

## B. "Watercraft Liability"

1. Coverages **E** and **F** do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
  - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
  - b. Rented to others;
  - c. Used to carry persons or cargo for a charge; or
  - d. Used for any "business" purpose.
2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
  - a. Is stored;
  - b. Is a sailing vessel, with or without auxiliary power, that is:
    - (1) Less than 26 feet in overall length; or
    - (2) 26 feet or more in overall length and not owned by or rented to the "named insured" or a member of the household. However, exclusion **B.** still applies while the watercraft is being used by an "insured" who is not the "named insured" or member of the household; or
  - c. Is not a sailing vessel and is powered by:
    - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
      - (a) 50 horsepower or less and not owned by the "named insured" or a member of the household. However, exclusion **B.** still applies while the watercraft is being used by an "insured" who is not the "named insured" or member of the household; or
      - (b) More than 50 horsepower and not owned by or rented to the "named insured" or a member of the household. However, exclusion **B.** still applies while the watercraft is being used by an "insured" who is not the "named insured" or member of the household; or
    - (2) One or more outboard engines or motors with:

- (a) 50 total horsepower or less;
- (b) More than 50 horsepower if the outboard engine or motor is not owned by the "named insured" or a member of the household. However, exclusion **B.** still applies while the watercraft is being used by an "insured" who is not the "named insured" or member of the household; or
- (c) More than 50 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
- (d) More than 50 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
  - (i) You declare them at policy inception; or
  - (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

The coverages in **(c)** and **(d)** above apply for the policy period.

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

## SECTION II - ADDITIONAL COVERAGES

The following Section II - Additional Coverage is added:

### Volunteer Wrongful Acts Coverage

We will pay the amount for which an "insured" becomes legally liable because of civil claims made against an "insured" for any actual or alleged wrongful act.

A wrongful act is any actual or alleged:

- a. Error;
- b. Misstatement;
- c. Action(s) or inaction(s);
- d. Neglect; or,
- e. Breach of duty

committed by an "insured" in that person's capacity as a volunteer.

The limit of liability for Volunteer Wrongful Acts Coverage is \$10,000. This is the most we will pay for all losses arising out of a single wrongful act, regardless of the number of "insureds" or policy periods. A series of

interrelated wrongful acts is considered a single wrongful act.

This coverage is excess over any other collectible insurance.

This coverage does not apply to liability for any of the following:

- a. "Bodily injury", "property damage" or "personal injury";
- b. Other than monetary damages;
- c. Fines or penalties imposed by law or matters deemed uninsurable by law;
- d. Arising out of an "insured's" failure or inaction in obtaining or maintaining insurance, including any error or inaction as to the amount, form or provisions of the insurance;
- e. Arising out of an "insured's" dishonesty. However, we will defend an "insured" for alleged dishonesty until:
  - (1) A judgment establishes the "insured's" actual or intentional dishonesty; or
  - (2) The expenses we incur in defending an "insured" exceed \$10,000.whichever comes first;
- f. Based upon or attributable to an "insured's" gain of any personal profit or advantage which the "insured" was not legally entitled to receive;
- g. Return of any payments given an "insured" without the previous approval of the Board of Directors of the corporation or association. With this approval, these payments will be considered to have been illegal;
- h. An accounting of profits made from the purchase or sale of securities as required by any federal or state law;
- i. An "insured's" failure to register securities as required by any federal or state law;
- j. Arising out of, or in any way related to, discrimination in violation of any statute, ordinance or law which prohibits such discrimination;
- k. Arising out of any:
  - (1) Nuclear reaction;
  - (2) Nuclear radiation; or,
  - (3) Radioactive contamination;

whether controlled or uncontrolled or however caused, or;

**(4)** Any consequences of any of these.

- l. Arising out of any actual or alleged wrongful act committed by an "insured" in their capacity as an elected or appointed public official or member of any governmental body.

If a claim or suit is brought against an "insured" alleging a wrongful act we will provide defense costs for the counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. The claim must be covered under this Volunteer Wrongful Acts Coverage. If we defend a claim or suit for a wrongful act, we will pay, in addition to your Wrongful Acts Limit of Liability, the expenses we incur in defending a claim or suit. Our duty to defend or settle ends when the expenses we incur exceed \$10,000. In addition to these expenses, we will pay:

- a. Premiums on appeal bonds to release attachments in any suit we defend;
- b. Up to \$100 per day for loss of earnings, but not other income, for you or an "insured" because of attendance at trials or hearings at our request;
- c. Other reasonable expenses incurred by you or an "insured" at our request;
- d. Expenses incurred by us and costs taxed against you or an "insured" in any suit we defend;
- e. Interest accruing after a judgment is entered and before the loss is paid in any suit we defend. Our duty to pay interest ends when we offer to pay that part of the judgment which does not exceed our limit of liability for this coverage.

We are not obligated to defend suits brought against you or an "insured" in any country where we are prevented from defending because of laws or other reasons. However, we will pay any expense incurred with our written consent for the "insured's" defense.

Our obligation to pay the above costs ends when our limit of liability for Volunteer Wrongful Acts Coverage has been exhausted.

Section II - Additional Coverages, **A.** Claim Expenses, does not apply to a claim or suit under Volunteer Wrongful Acts Coverage.

All other provisions of this policy apply.