



**October 20-23, 2022 | Westin Boston Seaport District**

10/21/2022

**HO-4 or Ho-14 Helping Insureds Decide**

9:00 AM - 11:00 AM

Ryan Bankas

CEUs: 2

Massachusetts Association  
of Insurance Agents



# HO 4 or HO 14 Helping Insureds Decide



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This material has been designed for use in training programs for insurance industry personnel. It is not intended to be used as a complete reference resource on the programs and coverages outlined herein.

The programs use “standard” policy forms and endorsements for the purposes of discussing the exposures to loss that may exist, some of the coverage options available to treat them, and to provide a framework for discussions with carriers you represent concerning the programs they have available.

Coverages, rules and materials presented during this program may differ from those used by individual insurance companies. Contact individual carriers for details about interpretations of their eligibility requirements, particular insurance contracts and rates.

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# HO - 14

## ISO SURVEY

- **ISO routinely surveys the market in order to determine where coverages need to be changed and new coverages need to be developed.**
- **The recent survey of those between the ages of 18 – 39 showed that this age group has more people living at home with parents or home-sharing with others, in part to save money.**
- **ISO discussed these trends with various carriers, and as a result of the survey and discussions with carriers, developed the new HO 00 14 Homeowners 14-Contents Comprehensive form**
- **The HO 14 is tailored to the needs of this particular age group.**
  - More likely to live with their parents
  - More likely to engage in ridesharing, car sharing, room sharing, and home sharing
  - More likely to reside in nontraditional households
  - Greater comfort with technology, particularly with shopping and electronic social media
  - Most educated generation in the United States
  - Desire to save money and be cost-efficient
- **New coverages have been added to meet certain needs, while some coverages that are standard in the HO 00 04 Contents Broad Form, have been removed from this form since those coverages are not anticipated to be requested as often.**
- **The HO 00 04 Contents Broad Form has not been removed and will be available to those whose needs fit that form better.**

### Our course will

1. **Compare the HO-4 2011 edition vs. the HO-4 2022 edition**
2. **Compare the 2022 edition of the HO-4 and HO-14**

# DEFINITIONS – CHANGES & AMENDMENTS

## HO - 4 (2011)

1. “Aircraft Liability”, “Hovercraft Liability”, “Motor Vehicle Liability” and “Watercraft Liability”, subject to the provisions in b. below, mean the following:

a. Liability for “bodily injury” or “property damage” arising out of the:

(1) Ownership of such vehicle or craft by an “insured”.

(2) Maintenance, occupancy, operation, use, loading or unloading of such **vehicle or craft by any person**

(3) Entrustment of such vehicle or craft by an “insured” to any person;

(4) Failure to supervise or negligent supervision of any person involving such vehicle or craft by an “insured”; and  
(5) Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.

b. For the purpose of this definition:

(1) Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;

(2) Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles; and

(3) Watercraft means a craft principally designed to be propelled on or in water, by wind, engine power or electric motor, and

(4) Motor vehicle means a “motor vehicle” as defined in 7. below.

## HO 14 & HO 4 (2022)

1. “Aircraft Liability”, “Hovercraft Liability”, “Motor Vehicle Liability” and “Watercraft Liability”, subject to the provisions in b. below, mean the following:

a. Liability for “bodily injury” or “property damage” arising out of the:

(1) Ownership of such vehicle or craft by an “insured”.

(2) Maintenance, occupancy, operation, use, loading or unloading of:

(a) An aircraft, hovercraft or watercraft by any person; or

(b) A motor vehicle by an “insured”;

(3) Entrustment of such vehicle or craft by an “insured” to any person;

(4) Failure to supervise or negligent supervision of any person involving such vehicle or craft by an “insured”; and

(5) Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.

b. For the purpose of this definition:

(1) Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;

(2) Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles; and

(3) Watercraft means a craft principally designed to be propelled on or in water, engine power or electric power, **except model or hobby watercraft not used or designed to carry people or cargo; and**

(4) Motor vehicle means a “motor vehicle” as defined in 10. below.



# DEFINITIONS – CHANGES & AMENDMENTS

## HO- 4 (2022)

### Differences

## HO 14 (2022)

### 3. "Business" means:

- a. A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
- b. **"Home-sharing Host activities"**
- c. **The leasing of the mineral rights of an "insured location", or**
- d. Any other activity engaged in for money or other compensation, except the following:
  - (1) One of more activities, not described in (2) through (4) below; for which no "insured" received more than **\$5000** in total compensation for the 12 months before the inception date of the policy;
  - (2) Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity
  - (3) Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
  - (4) The rendering of home day care services to a relative of an "insured".

New

Amended

### 3. "Business" means:

- a. A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
- b. **"Home-sharing Host activities"**

New

**DEFINITION 2022**

**5. "Home-sharing host activities" means:**

- a. The:
  - (1) Rental or holding for rental; or
  - (2) Mutual exchange of services; of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
- b. Any other related property or services made available by an "insured" for use during such:
  - (1) Rental; or
  - (2) Mutual exchange of services; except those property or services provided by another party.

# DEFINITIONS

## HO 14 & HO 4 (2022)

New

### 2022 DEFINITIONS

#### **Cannabis” means:**

a. Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic. b. Paragraph 4.a. above includes, but is not limited to, any of the following containing such THC or cannabinoid:

(1) Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or

(2) Any compound, by-product, extract, derivative, mixture or combination, such as:

(a) Resin, oil or wax; (b) Hash or hemp; or (c) Infused liquid or edible cannabis; whether or not derived from any plant or part of any plant set forth in Paragraph 4.b.(1) above.

c. Paragraph 4.a. above includes, but is not limited to, marijuana.

#### **“Home-sharing network platform” means an online-enabled application, website or digital network that:**

a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and

b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, website or digital network.

#### **“Home-sharing occupant” means a person, other than an “insured”, who:**

a. Has entered into an agreement or arranged compensation with an “insured” through the use of a “home-sharing network platform” for “home-sharing host activities”; or

b. Is accompanying or staying with a person described in Paragraph 7.a. above under such “home-sharing host activities”.

# DEFINITIONS

## HO 14 & HO 4 (2022)

### HO-4 (2022)

### Differences

### HO 14 (2022)

9. “Insured” means:

- a. You and residents of your household who are:
  - (1) Your relatives; or
  - (2) Other persons under the age of 21 and in the care of any person named above;

**b. A student enrolled in school full-time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:**

- (1) 24 and your relative; or
- (2) 21 and in your care or the care of a resident of your household who is your relative, or

**c. Under Section II:**

With respect to **animals or watercraft** to which this policy applies, any person or organization legally responsible for these **animals or watercraft** which are owned by you or any person included in **9.a.** or **b.** “Insured” does not mean a person or organization using or having custody of these animals **or watercraft** in the course of any “business” or without consent of the owner; **or**

**(1) With respect to a “motor vehicle” to which this insurance applies**

- a. Personal while engaged in your employ or that of any person included in 9.a. or b.; or**
- b. Other persons using the vehicle on an “insured location” with your consent**

Under both Section I and II, when the word “an” immediately precedes the word “insured” the words “an insured” together mean one or more “insureds”

8. “Insured” means:

- a. You and residents of your household who are:
  - (1) Your relatives; or
  - (2) 21 and in your care or the care of a resident of your household who is your relative, or

- (2) Under Section II 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 described in **8.a.** “Insured” does not mean a person or organization using or having custody of these animals in the course of any “business” or without consent of the owner.

Under both Section I and II, when the word an immediately precedes the word “insured” the words an “insured” together mean one or more “insureds”



# DEFINITIONS

## HO 14 & HO 4 (2022)

### Differences

#### HO - 4 (2011 & 2022)

**10. "Insured location" means:**

a. The "residence premises";

**b. The part of other premises, other structures and grounds used by you as a residence; and**

- 1) Which is shown in the Declarations; or**
- 2) Which is acquired by you during the policy period for your use as a residence;**

c. Any premises used by you in connection with a premises described in a. and b. above;

d. Any part of a premises:  
(1) Not owned by an "insured";  
and  
(2) Where an "insured" is temporarily residing;

**e. Vacant land, other than farm land, owned by or rented to an "insured";**

**f. Land owned by or rented to an "insured" on which a one-, two-, three- or four-family dwelling is being built as a residence for an "insured";**

**g. Individual or family cemetery plots or burial vaults of an "insured"; or**

h. Any part of a premises occasionally rented to an "insured" for other than "business" use."

#### HO 14 (2022)

**9. "Insured location" means:**

a. The "residence premises";

b. Any premises used by you in connection with a premises described in a. above;

c. Any part of a premises:  
1) Not owned by an "insured";  
and  
2) Where an "insured" is temporarily residing; or

d. Any part of a premises occasionally rented to an "insured" for other than "business" use.

# DEFINITIONS – CHANGES & AMENDMENTS

## HO - 4 (2011)

### 7. "Motor vehicle" means:

- a. A self-propelled land or amphibious vehicle; or
- b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in a. above

## HO 14 & HO 4 (2022)

### 10. "Motor vehicle" means:

- a. A land or amphibious vehicle that is self-propelled or capable of being self-propelled; or
- b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in 10.a. above.

New

### C. In this Policy, the terms:

- 1. Roomer;
- 2. Boarder;
- 3. Tenant; or
- 4. Guest;

**do not include** a "home-sharing occupant".

New

## COVERAGE C - HO-4

### HO - 4 (2011)

We cover personal property owned or used by an "insured" while it is anywhere in the world. After a loss and at your request, we will cover personal property owned by:

- a. Others while the property is on the part of the "residence premises" occupied by an "insured"; or
- b. A guest or a "residence employee", while the property is in any residence occupied by an "insured".

#### 1. Limit for Property At other Residences

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises," is 10% of the limit of liability for Coverage C, or **\$1000**, whichever is greater. However, this Limitation does not apply to personal property:

- a. Moved from the "residence premises" because it is **being repaired, renovated or rebuilt** and is not fit to live in or store property in; or
- b. In a newly acquired principal ythat 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 limit of liability for Coverage C, 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, 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".

### HO - 4 (2022)

We cover personal property owned or used by an "insured" while it is anywhere in the world. After a loss and at your request, we will cover personal property owned by:

- c. Others while the property is on the part of the "residence premises" occupied by an "insured"; or
- d. A guest or a "residence employee", while the property is in any residence occupied by an "insured".

#### 1. Limit for Property At other Residences

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises," is 10% of the limit of liability for Coverage C, or **\$1,500**, whichever is greater. However, this

Limitation does not apply to personal property:

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

a. **Being remodeled, renovated or repaired**, 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 that 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 limit of liability for Coverage C, or **\$1,500**, whichever is greater. However, this limitation does not apply to personal property:

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

(a) **Being remodeled, renovated or repaired**; 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".

## COVERAGE C

### HO - 14

#### SECTION I – PROPERTY COVERAGES

##### A. Coverage C – Personal Property

##### 1. Covered Property

We cover personal property owned or used by an "insured" while it is anywhere in the world. After a loss and at your request, we will cover personal property owned by:

- a. Others while the property is on the part of the "residence premises" occupied by an "insured"; or
- b. A guest while the property is in any residence occupied by an "insured"

## COVERAGE C - SPECIAL LIMITS

### HO 4

#### HO - 4 (2011 vs. 2022)

<b>Special Limits</b>	<b>Special Limit of Liability</b>	
	<b><u>2011</u></b>	<b><u>2022</u></b>
- Money	\$200	\$300
- Securities	\$1,500	\$2,000
- Watercraft	\$1,500	\$2,000
- Trailers	\$1,500	\$2,000
- Theft of Jewelry	\$1,500	\$2,000
- Theft of Firearms	\$2,500	\$3,000
- Theft of Silverware, etc.	\$2,500	\$3,000
- Business Property on Premises (Used primarily for)	\$2,500	\$3,000
- Business Property off Premises (Used primarily for)	\$1,500	\$2,000
- Electronic Equipment (In motor vehicle)	\$1,500	\$2,000
- Antenna, tapes, wires, discs (in a motor vehicle)	\$ 250	\$ 300
- Model or Hobby Aircraft (Not used or designed to carry people or cargo)		\$2,000

# COVERAGE C - SPECIAL LIMITS

## HO 14

### HO - 14 (2022)

#### 2. Special Limit Of Liability

A special limit of 10% of the limit of liability that applies to Coverage C is the total limit for each loss for all property in the categories shown below. This special limit does not increase the Coverage C limit of liability.

**The HO 14** covers the same property, as follows, **subject to a 10 percent of the overall coverage C limit.**

- Money, banknotes, and related property
- Securities, accounts, and related property
- Theft of jewelry, watches, furs, and related property
- Theft of firearms and related equipment
- Theft of silverware and related items
- Property used primarily for business purposes
- **Antiques, fine arts, paintings, and related items of antiquity**
- **Model or hobby aircraft/watercraft not used or designed to carry cargo or people**

#### PROPERTY COVERAGE REDUCTIONS UNDER THE HO 14

Property	HO 14 (03 22)	HO 4 (03 22)
Watercraft coverage	<u>None except</u> model or hobby watercraft are covered	<b>\$2,000</b> special limit for watercraft

## COVERAGE C - PROPERTY NOT COVERED

### HO - 4 (2011)

#### 3. Property Not Covered

We do not cover

##### c. "Motor Vehicles"

This **includes a "motor vehicle's" equipment, and parts.**

**However, this Paragraph 4.c. does not apply to:**

- (1) Portable electronic equipment that:
  - (a) Reproduces, receives or transmits audio, visual
  - (b) Is designed so that it may be operated from a power source other than a "motor vehicle's" electrical system.
- (2) "Motor vehicles" not required to be registered for use on public roads or property which are:
  - (a) Used solely to service a residence; or
  - (b) Designed to assist the handicapped;

### HO - 4 (2022)

#### 3. Property Not Covered

We do not cover

##### c. "Motor Vehicles"

This **includes a "motor vehicle's" equipment, and parts, that are in or upon the "motor vehicle".**

**However, this Paragraph 4.c. does not apply to:**

- (1) Portable electronic equipment that:
  - (a) Reproduces, receives or transmits audio, visual or data signals; and
  - (b) Is designed so that it may be operated from a power source other than a "motor vehicle's" electrical system.
- (2) "Motor vehicles" not required to be registered for use on public roads or property which are:
  - (a) Used solely to service a residence; or
  - (b) Designed to assist the handicapped;

New

### HO - 14 (2022)

#### 3. Property Not Covered

We do not cover

##### c. "Motor Vehicles"

This **includes a motor vehicle's equipment, and parts, that are in or upon the "motor vehicle"**. **However this Paragraph 3.c. does not apply to motor vehicles not required to be registered for use on public roads or property which are designed to assist the handicapped**

## COVERAGE C - PROPERTY NOT COVERED

### HO 14 & HO 4 (2022)

2022  
Amendment

**g. Property of:**

- (1) A "home-sharing" occupant;
- (2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and
- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

New

**l. Virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency**

New

**m. Any:**

- (1) **Controlled Substances, other than "cannabis"**, as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812; and
- (2) **"Cannabis"** regardless of whether such "cannabis" is considered a Controlled Substance.

Controlled Substances include but are not limited to cocaine, LSD, and all narcotic drugs.

**However, this Paragraph 3.m. does not apply to:**

- (3) **Prescription drugs** obtained following the lawful orders of a licensed health care professional; or
- (4) **Goods or products containing or derived from hemp, including, but not limited to:**

- (a) Seeds;
- (b) Food;
- (c) Clothing;
- (d) Lotions, oils or extracts;
- (e) Building materials; or
- (f) Paper.

**However, this Paragraph 3.m.(4) does not apply** to the extent any such goods or products are **prohibited under an applicable state or local statute, regulation or ordinance in the state where such goods or products are located**



# COVERAGE D - LOSS OF USE

## HO - 4 (2011)

### **B Coverage D - Loss Of Use**

The limit of liability for Coverage D is the total limit for the coverages in 1. Additional Living Expense, 2. Fair Rental Value and 3. Civil Authority Prohibits Use below.

#### **1. Additional Living Expense**

If a loss by a Peril Insured Against under this policy to covered property or the building containing the property makes the "residence premises" not fit to live in, we cover any necessary increase in living expenses **incurred by you** so that your household can maintain its normal standard of living.

Payment will be for the shortest time required to repair or replace **the damage** or, **if you permanently relocate**, the shortest time required for your household to settle elsewhere.

#### **2. Fair Rental Value**

If a loss covered under Section I makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of **such premises** less any expenses that do not continue while it is not fit to live in. Payment will be for the shortest time required to repair or replace **such premises**.

#### **3. Civil Authority Prohibits Use**

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, we cover the loss as provided in 1. Additional Living Expense and 2. Fair Rental Value above for no more than two weeks.

#### **4. Loss Or Expense Not Covered**

We do not cover loss or expense due to cancellation of a lease or agreement. The periods of time under 1. Additional Living Expense, 2. Fair Rental Value and 3. Civil Authority Prohibits Use above are not limited by expiration of this policy.

## HO 14 & HO 4 (2022)

### **B. Coverage D – Loss Of Use**

The limit of liability for Coverage D is the total limit for the coverages in 1. Additional Living Expense, 2. Fair Rental Value and 3. Civil Authority Prohibits Use below.

#### **1. Additional Living Expense**

If a loss by a Peril Insured Against under this Policy to covered property or the building containing the property makes the "residence premises" not fit to live in, we cover any necessary increase in living expenses **incurred by you and residents of your household who are:**

**a. Your relatives; or**

**b. Other persons under the age of 21 and in your care or the care of a resident of your household who is your relative;**

so that your household can maintain its normal standard of living.

Payment will be for the shortest **time required to repair or replace the damaged property** or, **if your household permanently relocates**, the shortest time required for your household to settle elsewhere

#### **2. Fair Rental Value**

If a loss covered under Section I makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

**However, we do not cover any fair rental value arising out of or in connection with "home-sharing host activities".**

Payment will be for the shortest time required to repair or replace the **damaged property**.

#### **3. Civil Authority Prohibits Use**

(unchanged)

#### **4. Loss Or Expense**

(unchanged)

2022  
Amendment

2022

# ADDITIONAL COVERAGES

## HO-4

### HO - 4 (2011)

#### 1. Debris Removal

a. We will pay your reasonable expense for the removal of:

- (1) Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
- (2) 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 damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit is available for such expense.

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

- (1) Your trees felled by the peril of Windstorm or Hail or Weight of Ice, Snow or Sleet; or (2) A neighbor's trees felled by a Peril Insured Against under Coverage C; provided the trees:
- (3) Damage a covered structure; or
- (4) Do not damage a covered structure, but:
  - (a) Block a driveway on the "residence premises" which prevents a "motor vehicle", that is registered for use on public roads or property, from entering or leaving the "residence premises",
  - or (b) Block a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling building. **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 the removal of any one tree.**

This coverage is additional insurance.

### HO 4 (2022)

#### 1. Debris Removal

a. We will pay your reasonable expense for the removal of:

- (1) Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
- (2) 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 damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit is available for such expense.

**b. We will also pay your reasonable expense, up to \$3000**, for the removal from the "residence premises" of:

- (1) Your trees felled by the peril of Windstorm or Hail or Weight of Ice, Snow or Sleet; or (2) A neighbor's trees felled by a Peril Insured Against under Coverage C; provided the trees:
- (3) Damage a covered structure; or
- (4) Do not damage a covered structure, but:
  - (a) Block a driveway on the "residence premises" which prevents a "motor vehicle", that is registered for use on public roads or property, from entering or leaving the "residence premises",
  - or (b) Block a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling building. **The \$3000 limit is the most we will pay** in any one loss, regardless of the number of fallen trees. **No more than \$1,500** of this limit **will be paid for the removal of any one tree.**

This coverage is additional insurance.

# ADDITIONAL COVERAGES

## HO-4

### HO - 4 (2011)

#### 3. Trees Shrubs And Other Plants

We cover trees, shrubs, plants or lawns, on the "residence premises", for loss caused by the following Perils Insured Against:

- a. Fire or Lightning;
- b. Explosion;
- c. Riot or Civil Commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by a resident of the "residence premises";
- f. Vandalism or Malicious Mischief; or
- g. Theft.

We will pay up to 10% of the limit of liability that applies to Coverage C 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.

### HO 4 (2022)

#### 3. Trees, Shrubs And Other Plants

We cover trees, shrubs, plants or lawns, on the "residence premises", for loss caused by the following Perils Insured Against:

- a. Fire or Lightning;
- b. Explosion;
- c. Riot or Civil Commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by a resident of the "residence premises";
- f. Vandalism or Malicious Mischief; or
- g. Theft.

We will pay up to 10% of the limit of liability that applies to Coverage C for all trees, shrubs, plants or lawns. No more than **\$1,500** of this limit will be paid for any one tree, shrub or plant.

**We do not cover:**

- h. Property, other than "cannabis", grown for "business" purposes; or**
- i. "Cannabis", whether or not grown for "business" purposes.**

This coverage is additional insurance



## ADDITIONAL COVERAGES

### HO-4

#### HO - 4 (2011)

##### **7.** Loss Assessment

a. **We will pay up to \$1,000** for your share of loss assessment charged during the policy period against you, as owner or tenant of the "residence premises", by a corporation or association of property owners. The assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage C, other than:

- (1) Earthquake; or
- (2) Land shock waves or tremors before, during or after a volcanic eruption.

**The limit of \$1,000 is the most we will pay with respect to any one loss,** regardless of the number of assessments.

We will only apply one deductible, per unit, to the total amount of any one loss to the property described above, regardless of the number of assessments.

b. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

c. Paragraph P. Policy Period under Section I – Conditions does not apply to this coverage.

This coverage is additional insurance.

#### HO - 4 (2022)

##### **6.** Loss Assessment

a. **We will pay up to \$2,000** for your share of loss assessment charged during the policy period against you, as owner or tenant of the "residence premises", by a corporation or association of property owners. The assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this Policy if owned by you, caused by a Peril Insured Against under Coverage C, other than:

- (1) Earthquake; or
- (2) Land shock waves or tremors before, during or after a volcanic eruption.

**The limit of \$2,000 is the most we will pay with respect to any one loss,** regardless of the number of assessments.

We will only apply one deductible, per unit, to the total amount of any one loss to the property described above, regardless of the number of assessments.

b. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

c. Paragraph P. Policy Period under Section I – Conditions does not apply to this coverage.

This coverage is additional insurance

# ADDITIONAL COVERAGES

## HO-4

### HO - 4 (2011)

#### 9. Glass Or Safety Glazing Material

a. We cover:

- (1) The breakage of glass or safety glazing material which is part of a building, storm door or storm window and covered as Building Additions And Alterations;
- (2) The breakage of glass or safety glazing material which is part of a building, storm door or storm window and covered as Building Additions And Alterations when caused directly by earth movement; and
- (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.

**b. This coverage does not include loss:**

- (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in a.(3) above; or
- (2) On the "residence premises" if the dwelling has been vacant for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided in a.(2) above. **A dwelling being constructed is not considered vacant**

c. This coverage does not increase the limit of liability that applies to the damaged property

### HO 4 (2022)

#### 9. Glass Or Safety Glazing Material

a. We cover:

- (1) The breakage of glass or safety glazing material which is part of a building, storm door or storm window and covered as Building Additions And Alterations;
- (2) The breakage of glass or safety glazing material which is part of a building, storm door or storm window and covered as Building Additions And Alterations when caused directly by earth movement; and
- (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.

**b. This coverage does not include loss:**

- (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in a.(3) above; or
- (2) On the "residence premises" if the dwelling has been vacant for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided in a.(2) above. **A dwelling being constructed, remodeled, renovated, or repaired is not considered vacant**

c. This coverage does not increase the limit of liability that applies to the damaged property



# ADDITIONAL COVERAGES

## HO-14

### C. Additional Coverages

#### 1. Debris Removal

a. We will pay your reasonable expense for the removal of:

- (1) Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
- (2) 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 damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit is available for such expense.

➔ **This coverage is additional insurance.**

*(No coverage for trees)*

#### 2. Reasonable Repairs

a. We will pay the reasonable cost incurred by you for the necessary measures taken solely to protect covered property that is damaged by a Peril Insured Against from further damage.

b. If the measures taken involve repair to other damaged property, we will only pay if that property is covered under this Policy and the damage is caused by a Peril Insured

Against. **This coverage does not:**

- (1) **Increase the limit of liability** that applies to the covered property; or
- (2) **Relieve you of your duties, in case of a loss to covered property**, described in C.3. under Section I - Conditions

Same as  
HO-4

#### 3. Hard Drive Data Recovery

We cover expenses, up to \$300 per policy period, for services to:

- a. Diagnose;
  - b. Recover and/or restore;
- loss to personal electronic data contained in your:
- c. Personal computer;
  - d. Tablet;
  - e. Phone;
  - f. SD card; or
  - g. External drive;
- due to data corruption, deletion or virus during the policy period.

New

➔ **This coverage is additional insurance. No deductible applies to this coverage.**

## ADDITIONAL COVERAGES *(continued)*

### HO-14

New

#### 4. Bed Bug Remediation

If determined by a licensed pest control, maintenance, remediation or extermination agent or organization whose operations meet all standards by any statute, ordinance, regulation or license requirement of any federal, state or local government which apply to those operations, that a bed bug infestation exists on the "residence premises" during the policy period, we cover expenses up to \$500 per policy period to treat the infestation.

Treatments include, but are not limited to

- a. Spraying of pesticides;
- b. Fumigation; or
- c. Heat treatments;

by a licensed pest control, maintenance, remediation or extermination agent or organization whose operations meet all standards by any statute, ordinance, regulation or license requirement of any federal, state or local government which apply to those operations. Coverage does not include expense to determine if an infestation exists or replace property damaged or contaminated by the infestation or remediation treatment.

➔ This coverage is additional insurance. No deductible applies to this coverage.

#### 5. Property Removed

Same as  
HO-4

We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed.

This **coverage does not increase the limit of liability** that applies to the property being removed

## LOSS SETTLEMENT CONDITIONS

### HO-14

#### D. Loss Settlement

##### 1. Eligible Property

Covered losses to the following property are settled at replacement cost at the time of the loss: a. **Coverage C**; and b. **If covered in this Policy:** (1) Awnings, outdoor antennas and outdoor equipment; and (2) Carpeting and household appliances; whether or not attached to buildings

##### 3. Replacement Cost Loss Settlement Condition

The following loss settlement condition applies to all property described in D.1. above:

a. **We will pay no more than the least of the following amounts:**

- (1) Replacement cost at the time of loss without deduction for depreciation;
- (2) The full cost of repair at the time of loss;
- (3) The limit of liability that applies to Coverage C; or
- (4) Any applicable special limits of liability stated in this Policy.

b. **If the cost to repair or replace the property** described in D.1. above is *more than \$1,000*, we will pay no more than the actual cash value for the loss until the actual repair or replacement is complete.

c. **You may make a claim for loss on an actual cash value basis** and then make claim for any additional liability provided you notify us, **within 180 days after the date of the loss**, of your intent to repair or replace the damaged property.

## PROPERTY COVERAGE REDUCTIONS

### UNDER THE HO 14

Property	<u>HO 14 (03 22)</u>	<u>HO 4 (03 22)</u>
Watercraft coverage	None except model or hobby watercraft are covered	\$2,000 special limit for watercraft
Trees, shrubs, and plants	No coverage	Up to 10% of Coverage C, with a maximum of \$1,500 per any one tree or plant
Fire department service charge	No coverage	Pays up to \$500
Loss assessment	No coverage	Pays up to \$2,000
Collapse	No coverage	Limited coverage
Safety glass	No coverage	Limited coverage
Building additions and alterations	No coverage	Covered up to 10% Coverage C limit
Ordinance or law requirements	No coverage	Covered up to 10% of limit that apply to building additions and alterations
Grave markers	No coverage	Pays up to \$5,000

HO-4  
Is ACV!



# OPEN PERIL EXCLUSIONS

## HO-14

HO-4  
16  
Named  
Perils

### SECTION I – PERILS INSURED AGAINST

We insure against direct physical loss to property described in Coverage C.

**We do not insure, however, for loss:**

**1. Excluded under Section I – Exclusions;**

**2. Caused by:**

**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: (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.

**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;

**b. Theft:**

- (1) In or from a dwelling under construction, or of material and supplies for use in the construction until the dwelling is finished and occupied; or
- (2) Committed by an "insured".

**c. Mold, fungus or wet rot.**

**d. Breakage of** eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains and similar fragile articles other than jewelry, watches, bronzes, cameras and photographic lenses.

**There is coverage for breakage of the property by or resulting from:**

- (1) Fire, lightning, windstorm, hail;
- (2) Smoke, other than smoke from:
  - (a) Agricultural smudging; or
  - (b) Industrial operations;
- (3) Explosion, riot, civil commotion;
- (4) Aircraft, vehicles, vandalism and malicious mischief;
- (5) Collapse of a building or any part of a building;
- (6) Water not otherwise excluded;
- (7) Theft or attempted theft; or
- (8) Sudden and accidental tearing apart, cracking, burning or bulging of:
  - (a) A steam or hot water heating system;
  - (b) An air conditioning or automatic fire protective sprinkler system; or
  - (c) An appliance for heating water;

## OPEN PERIL EXCLUSIONS *(continued)*

### HO-14

e. **Dampness of atmosphere or extremes of temperature unless the direct cause of loss is:**

(1) Rain or snow; or (2) Sleet or hail;

f. **Refinishing, renovating or repairing property;**

g. **Acts or decisions, including the failure to act or decide, of any:**

(1) Person or group; or (2) Organization or governmental body; or

h. **Any of the following:**

(1) Wear and tear, marring, deterioration;

(2) Mechanical breakdown, latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;

(3) Smog, rust or other corrosion, or dry rot;

(4) Smoke, from: (a) Agricultural smudging; or (b) Industrial operations;

(5) Discharge, dispersal, seepage, migration, release or escape of pollutants, unless the discharge, dispersal, seepage, migration, release or escape is itself caused by the peril of fire or lightning.

**Pollutants means** any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;

(6) Settling, shrinking, bulging or expansion, including resultant cracking, of:

(a) Pavements or patios; (b) Footings or foundations; (c) Walls or floors;

(d) Roofs or ceilings; or (e) Bulkheads;

(7) Birds, rodents or insects;

(8) Nesting or infestation, or discharge or release of waste products or secretions, by any animals;

(9) Animals owned or kept by an "insured"; or

(10) Misplacement Or Mysterious Unexplainable Disappearance.

**Exception To 2.h. - Unless the loss is otherwise excluded, we cover loss to property covered under Coverage C resulting from an accidental discharge or overflow of water or steam from within a:** (a) Storm drain, or water, steam or sewer pipe, off the "residence premises"; or (b) Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". **We do not cover loss to the system or appliance from which this water or steam escaped. For the 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.

**Section I – Exclusion 3. Water, Paragraphs a. and c. that apply to surface water and water below the surface of the ground, do not apply to loss by water covered under Paragraph 2.h. above. Under Paragraphs 2.a. through 2.h. above, any ensuing loss to property described in Coverage C not precluded by any other provision is covered.**

# GENERAL EXCLUSIONS FOUND IN ALL HO FORMS

## SECTION I – EXCLUSIONS

**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. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris;
- b. The requirements of which result in a loss in value to property; or
- c. Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This Exclusion 1. applies whether or not the property has been physically damaged.

### 2. 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 or sinkhole; or
- d. Any other earth movement including earth sinking, rising or shifting.

This Exclusion 2. applies regardless of whether any of the above, in 2.a. through 2.d., is caused by an act of nature or is otherwise caused.

However, direct loss by fire, explosion or theft resulting from any of the above, in 2.a. through 2.d., is covered.

# GENERAL EXCLUSIONS

## 3. Water

This means:

**a. Flood, surface water, waves, including** tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;

**b. Water which:**

(1) Backs up through sewers or drains; or

(2) Overflows or is otherwise discharged from a sump, sump pump or related equipment;

**c. Water below the surface of the ground, including** water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or

**d. Waterborne material carried** or otherwise moved by any of the water referred to in 3.a. through 3.c. of this exclusion.

**This Exclusion 3.:**

**e. Applies regardless of whether** any of the above, in 3.a. through 3.d., is caused by an **act of nature or is otherwise caused.**

**f. Applies to, but is not limited to,** escape, overflow or discharge, for any reason, of **water or waterborne material from** a dam, levee, seawall or any other boundary or containment system.

**g. Applies to property described in Coverage C** that is **on a premises** or location owned, rented, occupied or controlled by an "insured" even if weather conditions contribute in any way to produce the loss.

**h. Does not apply to property described in Coverage C that is away from a** premises or location owned, rented, occupied or controlled by an "insured".

However, direct loss by fire, explosion or theft resulting from any of the above, in 3.a. through 3.d., is covered.

## 4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the "residence premises". But if the failure results in a loss, from a Peril Insured Against on the "residence premises", we will pay for the loss caused by that peril.

## 5. Neglect

Neglect means neglect of an "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

# GENERAL EXCLUSIONS

## **6. War**

War includes the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel;
- 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 Hazard**

This Exclusion 7. pertains to Nuclear Hazard to the extent set forth in Q. Nuclear Hazard Clause under Section I – Conditions.

## **8. Intentional Loss**

Intentional Loss means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.

## **9. Governmental Action**

Governmental Action means the destruction, confiscation or seizure of property described in Coverage C 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.

# NAMED PERILS

## HO-4

### HO - 4 (2011)

#### 8. Vandalism Or Malicious Mischief

This peril does not include loss to property on the "residence premises", and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A **dwelling being constructed is not considered vacant.**

### HO 4 (2022)

#### 8. Vandalism Or Malicious Mischief

This peril does not include loss to property on the "residence premises", and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if:

**a. The loss arises out of or results from "home-sharing host activities";** or

b. The dwelling has been vacant for more than 60 consecutive days immediately before the loss. **A dwelling being constructed, remodeled, renovated or repaired is not considered vacant.**

New

2022 amended

## SECTION II

### Coverage E - Personal Liability

#### HO - 4 (2022)

##### SECTION II – LIABILITY COVERAGES

###### A. 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:

1. **Pay up to our limit of liability** for the damages for which an "**insured**" is **legally liable**. Damages include prejudgment interest awarded against an "insured"; and
2. **Provide a defense at our expense** by 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. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement

#### HO 14 (2022)

##### SECTION II – LIABILITY COVERAGES

###### A. 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:

1. **Pay up to our limit of liability** for the damages for which an "**insured**" is **legally liable**. Damages include prejudgment interest awarded against an "insured"; and
2. **Provide a defense at our expense** by 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. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement

# SECTION II

## Coverage F- Medical Payments

### HO - 4 (2022)

#### B. 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 your household except "residence employees".**

Definition  
Reminder

As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location", if the "bodily injury":
  - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
  - b. Is caused by the activities of an "insured";
  - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
  - d. Is caused by an animal owned by or in the care of an "insured"

### HO 14 (2022)

#### B. 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 your household.**

Definition  
Reminder

As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location", if the "bodily injury":
  - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
  - b. Is caused by the activities of an "insured"; or
  - c. Is caused by an animal owned by or in the care of an "insured".



## SECTION II - **EXCLUSIONS** MOTOR VEHICLE EXCLUSION

### HO - 4 (2022)

#### SECTION II – EXCLUSIONS

##### A. Motor Vehicle Liability

1. **Coverages E and F do not apply** to any **"motor vehicle liability" if**, at the time and place of an "occurrence", the involved "motor vehicle":

a. Is **registered** for use on public roads or property;

b. Is **not registered** for use on public roads or property, **but such registration is required** by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or

##### c. Is being:

(1) Operated in, or practicing for, any prearranged or organized **race, speed contest or other competition**;

(2) **Rented to others**;

(3) **Used to carry persons or cargo for a charge**; or

(4) **Used for any "business" purpose except for a motorized golf cart** on level ground while on a golfing facility.

### HO 14 (2022)

#### SECTION II – EXCLUSIONS

##### A. Motor Vehicle Liability

1. **Coverages E and F do not apply** to any **"motor vehicle liability" if**, at the time and place of an "occurrence", the involved "motor vehicle":

a. Is **registered** for use on public roads or property;

b. Is **not registered** for use on public roads or property, **but such registration is required** by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or

##### c. Is being:

(1) Operated in, or practicing for, any prearranged or organized **race, speed contest or other competition**;

(2) **Rented to others**;

(3) **Used to carry persons or cargo for a charge**; or

(4) **Used for any "business" purpose**



## SECTION II - **EXCLUSIONS** MOTOR VEHICLE EXCLUSION

### HO - 4 (2022)

2. If exclusion A.1. does not apply, **there is still no coverage** for "motor vehicle liability" **unless** the "motor vehicle" is:

a. In **dead storage** on an "insured location";

b. Used solely to service a residence;

**c. A riding lawn mower that, at the time of the "occurrence" is being used to mow a lawn,**

d. **Designed to assist the handicapped** and, at the time of an "occurrence", it is:  
(1) Being **used to assist a handicapped** person; or (2) **Parked on an "insured location"**;

**e. Designed for recreational use off public roads and:**  
(1) **Not owned** by an "insured"; or  
(2) **Owned** by an "insured" provided the "occurrence" takes place:

**(a) On an "insured location"** as defined in Definition **B.10.a., b., d., e. or h.;** or **(b) Off an "insured location"** and the "motor vehicle" is: (i) **Designed** as a toy vehicle for use by children under seven years of age; (ii) **Powered** by one or more batteries; and (iii) **Not built or modified** after manufacture to exceed a speed of five miles per hour on level ground

*HO - 4's coverage for golf carts is identical to the 2011 edition*

### HO 14 (2022)

2. If exclusion A.1. does not apply, **there is still no coverage** for "motor vehicle liability" **unless** the "motor vehicle" is:

a. **Designed to assist the handicapped** and, at the time of an "occurrence", it is:  
(1) Being **used to assist a handicapped** person; or  
(2) **Parked on an "insured location"**; or

**b. A motorized bicycle or motorized scooter**

75

2022  
Addition

2022  
HO-14  
ONLY

## SECTION II - EXCLUSIONS

### WATERCRAFT EXCLUSION

#### HO-4

#### HO - 4 (2011)

##### **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.**

#### HO - 4 (2022)

*NO CHANGE*

## SECTION II - EXCLUSIONS

### WATERCRAFT EXCLUSION

#### HO-4

#### HO - 4 (2011)

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 an "insured"**; 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 an "insured"; or
  - (b) More than 50 horsepower and not owned by or rented to an "insured"; or

#### HO - 4 (2022)

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 "insured"**; or

## SECTION II - EXCLUSIONS

### WATERCRAFT EXCLUSION

#### HO-4

#### HO - 4 (2011)

**d. Is not a sailing vessel and is powered by:**

**(2) One or more outboard engines or motors with:**

(a) 25 total horsepower or less;

(b) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or

(c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period,

(d) More than 25 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.

#### HO - 4 (2022)

**c. Is not a sailing vessel and is powered by one or more engines or motors, including those that power a water jet pump, totaling:**

(1) 25 horsepower or less; or

(2) More than 25 horsepower; and  
**(a) Not owned by an "insured"; or**

**(b) Are outboard engines or motors owned by an "insured" who acquired such engines or motors:**

**(i) During the policy period; or**

**(ii) Before the policy period, but only if you declare them at policy inception or your intent to insure them is reported to us in writing within 45 days after you acquire them.**

**The coverages in (b) above apply for the policy period.**

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

**SECTION II - EXCLUSIONS**

**WATERCRAFT EXCLUSION**

**HO - 14**

**B. Watercraft Liability**

**This Policy **does not cover** "watercraft liability"**

## SECTION II - EXCLUSIONS

### HO - 4 (2011)

#### 8. Controlled Substance

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance 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.

However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

### HO 4 & HO 14 (2022)

#### 8. Controlled Substance

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of:

a. A Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812; or

**b. Any "cannabis" regardless of whether such "cannabis" is considered a Controlled Substance.**



New

Controlled Substances include but are not limited to cocaine, LSD and all narcotic drugs.

However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

## SECTION II - ADDITIONAL COVERAGES

### Section II—Liability Coverages Additional Coverages

Category	2011 Program Limit (HO 4)	2022 Program Limit
Section II—Damage to Property of Others	\$1,000	<b>\$5,000</b>
<b><u>HO 4 ONLY</u></b>		
Section II—Loss Assessment	\$1,000	<b>\$2,000</b>

### LIABILITY COVERAGE REDUCTIONS UNDER THE HO 14

Liability Type	HO 14	HO 4
<b>Motor vehicle coverage</b>	Limited coverage only for vehicles designed to assist the handicapped, motorized bicycles, and motorized scooters	Provides the same coverage, but there is additional liability coverage for motor vehicles in dead storage on an insured location, used solely to service a residence; riding lawn mowers; and certain off-road vehicles for limited situations.
<b>Watercraft liability</b>	No coverage	Limited coverage for stored craft and specified small and low-powered watercraft or specified shorter sailing vessels
<b>Loss assessment</b>	No coverage	Up to \$2,000
<b>"Residence employees"</b>	No coverage for actions of such employees	Limited coverage for actions of such employees



