



## CAUSES OF LOSS SECTION

*We* insure under Coverage A (Coverages C, E and F when applicable) against direct physical loss or damage by these causes of loss:

1. **Fire or lightning.**
2. **Explosion.**

**Optional Cause of loss-Windstorm**-this cause of loss (No 3) is subject to additional premium charge and applies only if premium for Windstorm is shown on the Declarations.

3. **Windstorm**-this does not cover loss:
  - a. caused directly or indirectly by frost, cold weather, ice (other than hail), snow or sleet, all whether wind driven or not;
  - b. to the interior of a building or mobile home, or to the property inside, caused by dust, rain, sand, sleet, snow or water, all whether wind driven or not. Loss caused by dust, rain, sand, sleet, snow or water is covered if these elements enter through an opening in the roof or walls resulting from damage caused by the direct force of wind or hail; or
  - c. to watercraft (except rowboats and canoes on the *insured premises*) including their trailers, accessories, equipment and outboard motors unless such property is inside a fully enclosed building.
4. **Hail**-this does not cover loss:
  - a. caused directly or indirectly by frost, cold weather, ice (other than hail), snow or sleet, all whether wind driven or not;
  - b. to the interior of a building or mobile home, or to the property inside, caused by dust, rain, sand, sleet, snow or water, all whether wind driven or not. Loss caused by dust, rain, sand, sleet, snow or water is covered if these elements enter through an opening in the roof or walls resulting from damage caused by the direct force of wind or hail; or
  - c. to watercraft (except rowboats and canoes on the *insured premises*) including their trailers, accessories, equipment and outboard motors unless such property is inside a fully enclosed building.
5. **Riot or Civil Commotion.**
6. **Aircraft** meaning only direct loss from actual physical contact of an aircraft with covered property and including objects falling from aircraft.
7. **Vehicles** meaning only direct loss from actual physical contact of a vehicle with covered property.

*We* do not pay for loss or damage caused by a vehicle:

  - a. owned, leased or operated by *you* or by an occupant of the *insured premises*; or
  - b. to *your* fence(s), driveway(s) or walk(s).
8. **Sudden and Accidental Damage from Smoke**-this does not cover loss caused by smoke from agricultural smudging, industrial operations, fireplaces or wood or coal burning stoves.
9. **Sinkhole collapse** meaning loss or damage caused by sudden settlement or collapse of earth supporting the covered property. The earth settlement or collapse must result from subterranean voids caused by the action of water on limestone or similar rock formations.

*We* do not pay for the value of land or the cost of filling sinkholes.
10. **Volcanic Action** meaning direct loss or damage caused by volcanic action, including airborne volcanic blast or shockwaves; ash, dust or particulate matter; or lava flow. All volcanic eruptions that occur within a 72 hour period will constitute a single *occurrence*.

*We* do not pay for removal of ash, dust or particulate matter that does not cause direct physical loss to the described property.

**Optional cause of loss-Vandalism**- this cause of loss (no. 11) is subject to an additional premium charge and applies only if a premium for Vandalism is shown on the Declarations.

11. **Vandalism.**

*We* do not pay for loss or damage by vandalism:

  - a. if the *insured premises* are vacant for more than 30 consecutive days immediately before the loss. A *residence* under construction is not considered vacant; or
  - b. to glass or safety glazing material constituting a part of the building other than glass building blocks.

**REPLACEMENT COST PROVISION**  
**(Not Applicable To Mobile Homes Whether Or Not On A Permanent Foundation)**

(**Our** liability under this provision is subject to the **terms** of How Much **We** Pay for Loss or Claim in the General Policy Provisions.)

1. This provision applies only to covered buildings, including additions and built-in components and fixtures, covered under Coverage A-Residences and Coverage B-Related Private Structures on the Premises. The building must have a permanent foundation and roof. This provision does not apply to:
  - a. mobile homes whether or not on a permanent foundation;
  - b. domestic appliances;
  - c. carpeting, curtains and drapes all whether or not permanently installed;
  - d. detachable building items including screens, awnings, storm doors and windows, and window air conditioners; or
  - e. outdoor structures (other than buildings) which are not permanent components or fixtures of a building. These include (but are not limited to) swimming pools, fences, paved areas, submersible pumps and sump pumps.
2. If the amount of insurance on the damaged building is less than 80 percent of its replacement cost at the time of loss, **we** pay the larger of the following (in excess of the deductible):
  - a. the actual cash value of the damaged part of the building; or
  - b. that proportion of the replacement cost of the damaged part which **our** amount of insurance on the building bears to 80 percent of the full current replacement cost of the building.
3. If the amount of insurance on the damaged part is at least 80 percent of its replacement cost at the time of loss, **we** pay the full cost of repair or replacement of the damaged part without deduction for depreciation.  
**We** pay the smallest of the following amounts:
  - a. the amount of insurance applicable to the building;
  - b. the cost (in excess of the deductible) to repair or replace the damage on the same premises using materials of equivalent kind and quality to the extent practicable; or
  - c. the amount (in excess of the deductible) actually and necessarily spent to repair or replace the damage.
4. When the cost to repair or replace exceeds the lesser of \$1,000 or 5 percent of the applicable amount of insurance on the damaged building, **we** are not liable for more than the actual cash value until actual repair or replacement is completed.
5. **You** may make a claim for the actual cash value amount of the loss before repairs are made. A claim for any additional amount payable under this provision must be made within 180 days after a loss.