



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SAMPLE

SPECIAL PROVISIONS - ARKANSAS

WHAT PROPERTY IS COVERED SUBJECT TO INDIVIDUAL LIMITS OF LIABILITY - COVERAGE C

Provision 11. is deleted in our Premier Select Policy.

For Premier Homeowners, Premier Plus Homeowners, Premier Renters and Premier Condominium Owners Policies,

Provision 12. is deleted and replaced by the following:

12. a. \$10,000 for loss by **theft** of tools, not used in **business**, from the **residence premises**.
- b. \$2,500 for loss by **theft** of tools, not used in **business**, while located away from the **residence premises**.

WHAT PROPERTY IS COVERED - COVERAGE D

Provision 3. is deleted and replaced by the following:

3. If a civil authority prohibits **you** from occupying the **residence premises** as a result of direct damage to neighboring property by a cause of loss covered under SECTION I, **we** will pay any reasonable and necessary increase in living expenses as described under 1. above, and actual loss of rental income as described under 2. above for a period not exceeding two weeks and shall not exceed \$2,500 while occupancy is prohibited. A \$500 deductible will apply.

OTHER COVERAGES - SECTION I

Provision 9. REFRIGERATED FOOD SPOILAGE is deleted.

This is provision 8. in our Premier Renters Policy and our Premier Select Policy.

The following paragraph under provision 12.* **FUNGI, WET OR DRY ROT, OR BACTERIA** is deleted:

The most **we** will pay under this coverage is \$5,000. This is the most **we** will pay for the policy period regardless of the number of losses.

*This is provision 11. in **our** Premier Renters Policy and provision 10. in **our** Premier Select Policy.

WHAT LOSSES ARE NOT COVERED - EXCLUSIONS - SECTION I

Provision 1.c.(2) is deleted and replaced by the following:

1. c. (2) water or water-borne material or any liquid or semi-liquid substance which backs up through sewers or drains or which overflows from a sump pump, sump pump well, sewage holding tank, septic system or any other device designed to remove water or water-borne material or any liquid or semi-liquid substance from the **residence premises**;

Provision 1.l. is deleted and replaced by the following:

1. l. **We** do not insure for loss, caused by hail, that alters the physical appearance of the metal roof covering but does not result in the penetration of water through the metal roof covering or does not result in the failure of the metal roof covering to perform its intended function of keeping out the elements over an extended period of time.

Metal roof covering means the metal roofing material exposed to the weather, any underlayment applied for moisture protection and all flashings required in the replacement of a metal roof covering.

We do insure for loss, by a cause of loss identified under WHAT LOSSES ARE COVERED, to metal roof coverings that will allow the penetration of water through the metal roof covering or that results in the failure of the metal roof covering to perform its intended function of keeping out the elements over an extended period of time.

This is provision 1. k. in **our** Premier Select Policy.

Provision 1. m. is added as follows:

1. m. **We** do not insure for loss, caused by hail, that alters the physical appearance of a tile or slate roof but does not result in the penetration of water through the tile or slate roof or does not result in the failure of the tile or slate roof to perform its intended function of keeping out the elements over an extended period of time.

We do insure for loss, by a cause of loss identified under WHAT LOSSES ARE COVERED, to a tile or slate roof that will allow the penetration of water through the tile or slate roof or that results in the failure of the tile or slate roof to perform its intended function of keeping out the elements over an extended period of time.

This is provision 1. l. in **our** Premier Select Policy.

For Premier Homeowners Policies, provision 2. e. (2) is deleted and replaced by the following:

2. e. (2) continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance;

For Premier Plus Homeowners Policies, provision 2. d. (2) is deleted and replaced by the following:

2. d. (2) continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance;

For Premier Plus Homeowners Policies, provisions 2. e., f. and g. are added as follows:

2. e. WEATHER CONDITIONS.

- f. ACTS OR DECISIONS, including the failure to act or decide, whether intentional or unintentional, or whether negligent, wrongful or without fault, of any person, group, organization or governmental body, whether an **insured** or not.

This provision does not apply to an **insured's** acts or decisions, including the failure to act or decide, excluded under provision 1., sections d. and h. above.

g. FAULTY, DEFECTIVE OR INADEQUATE:

- (1) planning, zoning, development, surveying or siting;
 - (2) establishment or enforcement of building codes or standards for construction or materials;
 - (3) design, specifications, construction, renovation, remodeling, repair, grading, compaction or workmanship;
 - (4) materials, parts or equipment used in construction, renovation, remodeling, repair, grading or compaction; or
 - (5) maintenance;
- of part or all of any property whether on or off the **residence premises**. This exclusion does not apply to the use of defective materials or methods for which coverage is afforded under section f. of provision 11. ABRUPT COLLAPSE of OTHER COVERAGES - SECTION I.

CONDITIONS - SECTION I

Provision 2. Deductible is deleted and replaced with the following:

2. Deductible

We will pay only when a loss covered under SECTION I or an expense covered under OTHER COVERAGES - SECTION I exceeds the deductible shown in the declarations or as shown in the policy, and then **we** will pay only the amount exceeding the deductible.

The deductible shall apply to all losses except losses paid under the following provisions of OTHER COVERAGES - SECTION I:

3. FIRE DEPARTMENT SERVICE CHARGE

5. LOCKS

10. CREDIT CARD, FUND TRANSFER CARD, FORGERY AND COUNTERFEIT MONEY

With respect to any one loss, if two or more deductibles under this policy apply to the loss, only the highest deductible amount will apply.

5. LOCKS is 4. in our Premier Select Policy and is not available in our Premier Renters Policy.

10. CREDIT CARD, FUND TRANSFER CARD, FORGERY AND COUNTERFEIT MONEY is 9. in our Premier Select Policy and our Premier Renters Policy.

Provision 7. Appraisal is deleted and replaced by the following:

7. Appraisal

If **you** and **we** fail to agree on the amount of a covered loss, and any **insured** claiming coverage has complied with all other conditions of the policy, an appraisal of the loss may take place. However, an appraisal will take place only if both **you** and **we** agree, voluntarily, to have the loss appraised. If both parties agree in writing to appraisal, each party will choose a competent, independent appraiser and notify the other of the appraiser's identity within 20 calendar days of receipt of the request.

The two appraisers will choose a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 calendar days, **you** or **we**, can request a judge of a court of the court of the state in which the covered property is located to select an umpire.

The appraisers shall separately set the amount of the loss as defined in the policy. If the appraisers submit a written report of an agreement to **us**, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their difference to the umpire. An appraisal decision will not be binding on either party.

Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by **you** and **us**.

Provision 13. Mortgage Clause* is amended as follows:

The sentence "If the policy is cancelled or nonrenewed by **us**, the mortgagee shall be notified at least 10 calendar days before the date cancellation or nonrenewal will become effective." is deleted and replaced by the following:

If **we** decide to cancel this policy, the mortgagee will be notified:

- a. at least 10 days before the date cancellation takes effect if **we** cancel for nonpayment of premium, or
- b. at least 30 days before the date cancellation takes effect in all other cases.

If **we** decide not to renew this policy, the mortgagee will be notified at least 30 days before the date nonrenewal takes effect.

*This provision does not apply to **our** Premier Renters Policy.

Provisions 17. and 18. are added as follows:

17. **Our** Right to Inspect

We reserve the right to conduct inspections of **your residence premises** upon reasonable notice as often as **we** deem reasonably necessary. **We** may conduct inspections to determine insurability and the premiums to be charged. **You** must permit inspections and cooperate with **us** during the inspection process.

This is provision 16. in our Premier Renters Policy and our Premier Select Policy.

18. **Your** Duty to Notify **Us** of Increase in Value

You must notify **us** within 30 calendar days prior to completion of:

- a. the remodeling of or any addition to the dwelling covered under COVERAGE A; or
- b. the construction of new buildings or remodeling of or addition to existing buildings covered under COVERAGE B;

that will increase the cost to replace the buildings covered under COVERAGE A and COVERAGE B by \$15,000 or more.

This is provision 17. in our Premier Renters Policy and our Premier Select Policy.

WHAT LOSSES ARE COVERED - COVERAGE F - SECTION II

For Premier Plus Homeowners Policies, the first paragraph is deleted and replaced by the following:

We will pay reasonable expenses actually incurred for necessary medical and funeral services because of **bodily injury** sustained as a result of an accident to which this coverage applies. **We** will pay only for services actually incurred and reported to **us** within 3 years from the accident date. This coverage does not apply to **you** or regular residents of **your** household except **residence employees**.

WHAT LOSSES ARE NOT COVERED - EXCLUSIONS - SECTION II

Provision 1. a. (4) is added as follows:

1. Under Section II **we** do not cover:
 - a. **Bodily injury** or **property damage** arising out of:
 - (4) Acts or omissions of a criminal nature committed by or at the direction of any **insured** while actually or allegedly insane, even if the **insured** lacks criminal responsibility by reason of such insanity. This exclusion applies whether or not the **insured** is charged with or convicted of a crime.

Provision 1.k. is deleted and replaced by the following:

1. k. **Bodily injury** or **property damage** arising out of, in connection with, aggravated by, or consisting of **pollutants**. This exclusion does not apply to **bodily injury** or **property damage** caused by heat, smoke, vapors or fumes from a hostile fire. A hostile fire shall mean one which becomes uncontrollable or breaks out from where it was intended to be.

Provision 1.n. is deleted and replaced by the following:

1. n. **Bodily injury** or **property damage** arising out of the ownership of, custody of, or care for the following pure or mixed breed dogs:
 - (1) any pit bull type of dog (which may be known as American Pit Bull Terrier, American Staffordshire Terrier, Staffordshire Bull Terrier, Bull Terrier, Miniature Bull Terrier, American Bulldog, Dogo Argentino, Alapaha Blue Blood Bulldog or Alpha Blue Bulldog);
 - (2) Rottweiler;
 - (3) Akita (which may be known as a Japanese Akita or an Akita Inu); or
 - (4) Canary Dog (which may be known as a Presa Canario or a Perro de Presa Canario).

Provision 2. j. is added as follows:

2. j. **Bodily injury, property damage, or personal injury** arising out of bullying, cyberbullying, aggression or electronic aggression.

ADDITIONAL PAYMENTS - SECTION II

Provision 3. DAMAGE TO PROPERTY OF OTHERS, item h. is deleted and replaced by the following:

3. h. Arising out of the ownership of, custody of, or the care for the following pure or mixed breed dogs:
 - (1) any pit bull type of dog (which may be known as American Pit Bull Terrier, American Staffordshire Terrier, Staffordshire Bull Terrier, Bull Terrier, Miniature Bull Terrier, American Bulldog, Dogo Argentino, Alapaha Blue Blood Bulldog or Alpha Blue Bulldog);
 - (2) Rottweiler;
 - (3) Akita (which may be known as a Japanese Akita or an Akita Inu); or
 - (4) Canary Dog (which may be known as a Presa Canario or a Perro de Presa Canario).

SECTION III - GENERAL PROVISIONS

The following provision, Joint Obligations of Insurance, is added as follows:

JOINT OBLIGATIONS OF INSURANCE

The terms of this policy impose joint obligations on all persons defined as persons **insured**. This means that the responsibilities, acts and failures to act of any person defined as an **insured** will be binding upon any other person defined as an **insured**.

TERMINATION

Provision 2. Cancellation by **Us** is deleted and replaced by the following:

2. Cancellation by **Us**

We may cancel by mailing to **you** at the last address known by **us**:

- a. At least 10 days notice if cancellation is for nonpayment of premium.
- b. At least 30 days notice if notice is mailed during the first 60 days this policy is in effect and this is not a renewal or continuation policy.
- c. At least 30 days notice in all other cases.


After this policy is in effect for 60 days or more, or if this is a renewal or continuation policy, **we** will cancel only:

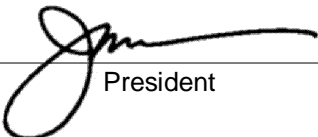
- a. upon discovery of fraud or material misrepresentation made by or with the knowledge of the named **insured** in obtaining or continuing the policy, or in presenting a claim under this policy;
- b. upon the occurrence of a material change in the risk which substantially increases any hazard insured against after insurance coverage has been issued;
- c. if there is a violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property which substantially increases any hazard insured against; or
- d. in the event of a material violation by any **insured** of a material provision of this policy.

This can be done by letting **you** know at least 30 days before the date cancellation takes effect.

All other provisions of this policy apply.

AUTO CLUB FAMILY INSURANCE COMPANY


Secretary


President