

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SPECIAL PROVISIONS – MASSACHUSETTS

### OTHER COVERAGES

10. In Forms **DP 00 02** and **DP 00 03**, **Collapse** is deleted and replaced by the following:

#### 10. Collapse

a. With respect to this Other Coverage:

- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.
- (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.
- (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.
- (4) A building that is standing or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

b. We insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:

- (1) Perils Insured Against that apply to Coverage **C** – Personal Property. These perils apply to covered building and personal property for loss insured by this Other Coverage;
- (2) Decay that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
- (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
- (4) Weight of contents, equipment, animals or people;
- (5) Weight of rain which collects on a roof; or
- (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

Loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under Items **(2)**, **(3)**, **(4)**, **(5)**, and **(6)** unless the loss is a direct result of the collapse of a building or any part of a building.

This coverage does not increase the limit of liability applying to the damaged covered property.

11. In Forms **DP 00 02** and **DP 00 03**, **Glass or Safety Glazing Material** is deleted and replaced by the following:

#### 11. Glass Or Safety Glazing Material

a. We cover:

- (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;
- (2) The breakage, caused directly by Earth Movement, of glass or safety glazing material which is part of a covered building, storm door or storm window; 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 Described Location if the dwelling has been vacant for more than 30 consecutive days immediately before the loss, except when the breakage results directly from Earth Movement as provided for in **a.(2)** above. A dwelling being constructed is not considered vacant.

Loss to glass covered under this Other Coverage **11.** will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

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

The following Other Coverage is added to all Forms except **DP 00 01**. When you are a tenant of a Described Location covered under this policy, the words 'covered building' used below, refer to property at such a Described Location covered under Other Coverage **3. Improvements, Alterations And Additions**.

## **12. Ordinance Or Law**

- a. The Ordinance Or Law limit of liability determined in **b.** or **c.** below will apply with respect to the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
  - (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
  - (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
  - (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.
- b. If you are an owner of a Described Location, and that location:
  - (1) Is insured for Coverage **A** or Unit-Owners Building Items, you may use up to 10% of the limit of liability that applies to Coverage **A** or Unit-Owners Building Items at each Described Location; or
  - (2) Is not insured for Coverage **A** or Unit-Owners Building Items, you may use up to 10% of the total limit of liability that applies to Coverage **B** at each Described Location.
- c. If you are a tenant of a Described Location, you may use up to 10% of the limit of liability that applies to Improvements, Alterations And Additions at each Described Location.
- d. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in **a.** above.
- e. We do not cover:
  - (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or

- (2) The costs to comply with any ordinance or law which requires you 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 on any covered building or other structure.

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 coverage is additional insurance.

## **PERILS INSURED AGAINST**

If this endorsement is attached to Form **DP 00 03**, or if Endorsement **DP 04 65** forms a part of this policy, then Paragraph **2.h.(7)** is deleted and replaced as follows:

- (7) birds, rodents, insects, domestic animals, or vermin.

Vermin means animals that tend to access, or enter into or under, structures for foraging or shelter, and, as a result, cause loss or damage. Such animals include, but are not limited to, armadillos, bats, beavers, coyotes, lizards, opossums, porcupines, raccoons, skunks, snails, snakes, slugs, or squirrels.

## **GENERAL EXCLUSIONS**

- 1. **Ordinance or Law** is deleted and replaced by the following:
  - 1. Ordinance Or Law, meaning any ordinance or law:
    - a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion **1.a.** in all forms other than **DP 00 02**, **A.1.a.** in Form **DP 00 01**, and **1.a.(1)** in Form **DP 00 03**, does not apply to the amount of coverage that may be provided for under Other Coverages, Glass Or Safety Glazing Material or Ordinance Or Law;
    - b. The requirements of which result in a loss in value to property; or
    - c. Requiring you 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 applies whether or not the property has been physically damaged.

(This is Exclusion **A.1.** in Form **DP 00 01** and Exclusion **1.a.** in Form **DP 00 03.**)

2. For all Forms other than **DP 00 01**, **2. Earth Movement** is deleted and replaced by the following:

2. Earth Movement, meaning earthquake, including land shock waves or tremors before, during or after a volcanic eruption; landslide; mine subsidence; mudflow; earth sinking, rising or shifting; unless direct loss by:

- a. Fire; or
- b. Explosion;

ensues and then we will pay only for the ensuing loss.

(This is Exclusion **1.b.** in Form **DP 00 03.**)

4. Power Failure is deleted and replaced by the following:

4. Power Failure, meaning the failure of power or other utility service if the failure takes place off the Described Location. But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the Described Location, we will pay for the loss or damage caused by that Peril Insured Against.

(This is Exclusion **1.d.** in Form **DP 00 03.**)

3. **Concealment or Fraud** is deleted and replaced by the following:

**3. Concealment Or Fraud**

With respect to all persons insured under this policy, we provide no coverage for loss if, whether before or after a loss, one or more persons insured under this policy have:

- a. Intentionally concealed or misrepresented any material fact or circumstance;
- b. Engaged in fraudulent conduct; or
- c. Made false statements; relating to this insurance.

**CONDITIONS**

**4. Your Duties After Loss**

Paragraphs **b.**, **c.**, **d.** and **e.** are deleted and replaced by the following:

- b. Protect the property from further damage; make reasonable and necessary repairs required to protect the property; keep an accurate record of repair expenditures. Some or all of these expenses may be reimbursable under this policy.

- c. Prepare an inventory of damaged personal property; show in detail, the quantity, description, actual cash value and amount of loss. Attach to the inventory when available all pertinent bills and documents that substantiate the figures in the inventory.

- d. We may reasonably require you to:

- (1) Exhibit the damaged property;
- (2) Provide us with records and documents pertinent to the loss and permit us to make copies; and
- (3) Submit to an examination under oath while not in the presence of any other named insured, and sign the same.

- e. Submit to us, within 60 days after we request, your signed, sworn Proof of Loss which sets forth, to the best of your knowledge and belief:

- (1) The time and cause of loss;
- (2) Your interest and that of all others in the property involved and all liens on the property;
- (3) Other insurance which may cover the loss;
- (4) Changes in title or occupancy of the property during the term of the policy;
- (5) Detailed estimates for repair of the damage;
- (6) An inventory of damaged personal property described in **4.c.**;
- (7) Receipts for additional living expenses incurred and records that support the fair rental value loss.

**5. Loss Settlement (Not applicable to DP 00 01)**

Condition **5.b.(1)** is deleted and replaced by the following:

- (1) If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately prior to the loss, we will pay the cost of repair or replacement after application of deductible and without deduction for depreciation. We will pay replacement cost if the damaged building is repaired or replaced by you on the Described Location or some other location within the Commonwealth of Massachusetts within a reasonable time but not more than two years from the date of the loss.

We will pay the smallest of the following amounts:

- (a) The limit of liability under this policy that applies to the building;

- (b) The replacement cost of that part of the building damaged for like construction and use on the same premises; or
- (c) The amount actually and necessarily spent to repair or replace the damaged building.

**8. Appraisal** is deleted and replaced by the following:

**8. Appraisal**

If you and we fail to agree on the amount of loss, we shall, upon receipt of your written request to do so, refer the matter to a three member board of referees. They are selected and must act according to the procedures set by the law. Their decision will be binding. This board does not make decisions about matters of coverage or fault.

**11. Suit Against Us** is deleted and replaced by the following:

**11. Suit Against Us**

No action can be brought unless the policy provisions have been complied with and the action is started within two years after the date loss or damage occurs. However, if a court prevents the start or continuance of the action, but at a later date allows the action to resume, it must be resumed within one year of the court order. If a disagreement about the amount of loss has been referred to a board of referees within two years of the date of loss, any action against us must be started within 90 days after the board's decision.

**12. Our Option** is deleted and replaced by the following:

**12. Our Option**

If we give you written notice within 15 days after we receive your Proof of Loss, we may repair or replace any part of the property damaged with like property.

**13. Loss Payment** is deleted and replaced by the following:

**13. Loss Payment**

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable within 30 days after we receive your Proof of Loss.

All applicable sales taxes are considered a part of any loss under this policy.

We shall pay you interest at the rate of one percent over the prime interest rate on the agreed figure commencing 30 days after the date of an executed Proof of Loss for such figure is received by us. This interest is to continue as long as the claim remains unpaid.

**15. Mortgage Clause** is amended as follows:

The sentence "If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or non-renewal takes effect" is deleted and replaced by the following:

If we decide to cancel or not to renew this policy, the mortgagee shown on the Declarations will be notified:

- a. At least 20 days before the date cancellation takes effect; or
- b. At least 10 days before the date nonrenewal takes effect.

A United States Postal Service certificate of mailing showing the name and address of the mortgagee will be sufficient proof of notice.

**17. Cancellation**

Paragraphs **b.** and **d.** are deleted and replaced by the following:

- b. We may cancel this policy only for the reasons stated below by notifying you in writing of the date cancellation takes effect and the reason for cancellation. This cancellation notice may be delivered to you or mailed, by first class mail, to the mailing address shown in the Declarations or to your last address known to us. A United States Postal Service certificate of mailing showing your name and that address will be sufficient proof of notice.

- (1) When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.

However, you may continue the coverage and avoid the effect of the cancellation by payment at any time prior to the effective date of cancellation.

- (2) When this policy has been in effect for less than 60 days, we may cancel for any reason, other than nonpayment of premium, by letting you know at least 5 days before the date cancellation takes effect.

- (3) When this policy has been in effect 60 days or more, or after 60 days from any anniversary date, we may cancel for one or more of the following reasons by letting you know 5 days before the date cancellation takes effect:

- (a) Conviction of an act which increases the chance of a loss under this policy;

- (b) Discovery of fraud or material misrepresentation by the insured in obtaining this policy;
- (c) Discovery of willful or reckless acts or omissions by the insured increasing the hazard insured against;
- (d) Physical changes in the property insured which result in the property becoming uninsurable;
- (e) A determination by the commissioner that continuation of the policy would violate or place the insurer in violation of the law.

d. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it when ascertained.

**18. Nonrenewal** is deleted and replaced by the following:

**18. Nonrenewal**

Ordinarily we will renew this policy automatically and send you the renewal notice. Our notice will explain what you should do if you do not want to continue the policy.

We may elect not to renew this policy. We may do so by delivering to you or mailing to you at your last mailing address shown in the Declarations, written notice at least 45 days before the expiration date of this policy.

The following conditions are added:

**26. City Or Town Liens**

a. We are required by Massachusetts General Law to obtain from you a certificate of municipal liens from the collector of taxes of the city or town in which the property is located if a loss by the perils insured against in this policy equals or exceeds \$5,000 for loss to a building or structure.

The above paragraph shall not apply to any owner occupied one to four family dwelling if the owner of the dwelling was residing there at the time the loss or damage occurred.

b. We are also required by Massachusetts law that we must notify the local:

- (1) Inspector of buildings;

(2) Fire department or arson squad; and

(3) Board of Health;

at least 10 days before we make a payment of \$1,000 or more for loss to a building or structure.

We must also give notice if there is damage which makes a building a health or safety hazard or dangerous or unsafe for occupancy regardless of the amount of our payment.

**ADDITIONAL CONDITIONS APPLICABLE TO CITY OR TOWN LIENS**

(1) If prior to a payment we receive official notice of a pending or existing lien against your property, we must delay payment until the matter is settled. If we are required to pay all or part of the amount of the lien, we will not be obliged to pay that amount to you.

(2)(a) The following condition applies to a. above:

We will not be liable to any insured owner, mortgagee, assignee, city or town, or other interested party for amounts paid to a city or town or for amounts not paid to a city or town based upon a certificate indicating the nonexistence of any municipal liens.

(b) The following condition applies to b. above:

We will not be liable to any insured owner, mortgagee, assignee, city or town, or other interested party for amounts paid to a city or town or for amounts not paid to a city or town.

**27. Vacancy**

Unless otherwise provided in writing we will not be liable for loss caused by fire or lightning occurring while a described building is vacant, whether intended for occupancy by owner or tenant, beyond a period of 60 consecutive days for residential purposes of three units or less, and 30 consecutive days for all other residential purposes.

All other provisions of this policy apply.