

HOMEOWNERS POLICY OUTLINE (HIG HO3 42 OTL)

The following outline of coverage is for informational purposes only. We encourage you to read your policy.

Homeowners policies are designed to provide coverage for your personal belongings, loss of use of your home, personal liability, and medical payments to others.

POLICY COVERAGES

Please refer to your policy Declarations for limits applicable to each policy coverage and the deductibles that apply to property losses. Below is a brief description of each of the principal coverage features.

SECTION I - PROPERTY COVERAGE:

COVERAGE A Covers your dwelling, including structures attached.

COVERAGE B Covers other structures on the premises of your insured dwelling which are unattached to the primary residence, such as a detached garage, swimming pool, or fence.

COVERAGE C Covers your personal property such as clothes and furniture. Special limits apply to many classes of property such as jewelry. Other classes of personal property such as motorized vehicles are excluded. You should review the limits and exclusions, and contact your agent if additional coverage is required.

COVERAGE D Covers increased living expenses you incur during a time when your home is not able to be lived in due to a covered loss.

ADDITIONAL COVERAGE AVAILABLE

Ordinance or Law Coverage provides valuable protection against increases in construction cost due to compliance with new building codes.

Optional coverages available include:

- Animal Liability Coverage provides liability coverage for animals owned or kept by you.
- Increased Replacement Cost to cover increases in the cost of construction that can occur due to economic factors of supply and demand. This is common after major disasters.
- Limited Foundation & Slab Coverage reimburses the policyholder for damage to the foundation that results from water damage from your plumbing system.
- Limited Fungi, Mold, Wet/Dry Rot covers cleanup and repair necessitated by mold and fungus damage.
- Loss Assessment Coverage provides coverage for your share of a loss to property owned in common by all members of a property owners association
- Personal Property Replacement Cost provides replacement cost coverage on your personal property. In the event of a covered loss, your damaged property will be replaced with new items of like quality.

SECTION II - LIABILITY COVERAGES:

COVERAGE E Covers amounts you become legally liable to pay to others as a result of personal activities or the premises insured by this policy. We will also pay for legal costs to defend you if suit is brought against you. Your policy does not cover liability resulting from any dogs you own or are in

your care. Further, your policy does not cover liability related to business activities.

COVERAGE F Covers medical expenses of others injured at your home or as a result of your personal activities.

PERILS INSURED AGAINST

The perils insured against are causes of loss to which your policy applies. Those perils listed or named in the policy form apply to personal property (Coverage C) losses except as noted in the policy.

EXCLUSIONS

Your policy excludes loss due to many causes. These exclusions include liability for damage or injury caused by dogs, loss from earth movement (other than sinkhole), water damage due to flood, neglect, war and nuclear hazards, power failure off your premises, motor vehicles and watercraft.

Your policy excludes water damage due to flood. If your home is located in a Special Flood Hazard Area, we require that you purchase flood insurance from the National Flood Insurance Program (NFIP). Further, we recommend that you consider purchasing a preferred risk policy if your home is not located in a Special Flood Hazard Area. Please contact your agent if you have not purchased this coverage.

RENEWAL AND CANCELLATION PROVISIONS

You may cancel this policy at any time for any reason. Our right to cancel your policy is limited to the conditions described in your policy. If you request cancellation of your policy, 100% of the unearned premium will be returned to you.

We will mail you an offer to renew your policy or notice of our intention to non-renew your policy prior to the expiration of this policy period. If we offer to renew your policy, you may keep the policy in force by paying the premium prior to the effective date.

REMEMBER, THIS OUTLINE IS FOR INFORMATIONAL PURPOSES ONLY AND IS INTENDED TO PROVIDE A BRIEF DESCRIPTION OF THE COVERAGES AND EXCLUSIONS CONTAINED IN YOUR POLICY. READ YOUR POLICY CAREFULLY. YOUR AGENT WILL ASSIST YOU WITH ANY QUESTIONS ABOUT YOUR POLICY.