

# SPECIAL PROVISIONS - MAINE

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## SECTION I - PROPERTY COVERAGES

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### BUILDING PROPERTY LOSSES WE DO NOT COVER

Item **6.f.** is deleted and replaced by the following:

- f. birds, vermin, rodents, insects or domestic animals, except for breakage of glass;

Item **15.** is deleted and replaced by the following:

- 15. Intentional Loss**, meaning any loss arising out of any act an *insured* commits or conspires to commit with the intent to cause a loss.

This exclusion only applies to an *insured* who commits or conspires to commit an act with the intent to cause a loss.

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### PERSONAL PROPERTY WE DO NOT COVER

Item **3.a.** is deleted and replaced by the following:

- a. motorized land vehicles used solely to service a residence and not subject to motor vehicle registration or licensed for road use;

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### ADDITIONAL PROPERTY COVERAGES

Under item **7. Building Ordinance or Law Coverage** the following changes are made:

Item **b.** is deleted and replaced by the following:

- b. the costs to comply with any ordinance which requires any *insured* or others to test for, monitor, cleanup, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, *pollutants or contaminants*. However, for purposes of **Building Ordinance or Law Coverage**, *pollutants or contaminants* shall not include asbestos or materials containing asbestos or lead.

The following is added to the paragraph describing limit of liability:

In the event of a covered loss resulting from an Insurance Services Offices<sup>®</sup> declared catastrophe for the state in which the *residence premises* is located, the limit for Building Ordinance or Law shall be up to twice the percentage shown for Building Ordinance or Law on the Policy Declarations.

Item **14. Mortgage Acquisition Expense Coverage** is added as follows (this is item **16.** for the **New Quality-Plus** coverage level; item **18.** for the **Optimum** coverage level):

- 14. Mortgage Acquisition Expense Coverage.** In the event of a total loss of the dwelling shown in the Policy Declarations by a covered cause of loss, we will pay necessary expenses and fees toward the acquisition of a new first mortgage to repair or replace the insured dwelling, up to a maximum of \$5000.

No deductible applies to this coverage.

This is an additional amount of insurance.

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## SECTION I - PROPERTY CONDITIONS

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Under **3. An Insured's Duties After Loss**, item **b.** is deleted and replaced by the following:

- b. give immediate notice to us or our agent. With respect to loss caused by the peril of Windstorm or Hail, the notice must be within 365 days after the date of the loss;

Under **5. Loss Settlement**, item **a.(3)** is deleted and replaced by the following:

- (1) If the cost to repair or replace is \$2,500 or more, we will pay the difference between *actual cash value* and *replacement cost* only when the damaged or destroyed property is repaired or replaced.

The following is added to **5. Loss Settlement**:

- c. We will not pay for any loss in value of property, whether actual or perceived, or any;
  - (1) adverse impact on the ownership of, or transfer of ownership or title of property; or
  - (2) adverse impact on the acquisition of financing resulting from the covered physical damage to the property. If **Mortgage Acquisition Expense Coverage** is provided under Additional Property Coverages, the application of this provision (2) does not apply to the extent coverage is provided for **Mortgage Acquisition Expense**.

Item 7. **Appraisal** is deleted and replaced by the following:

7. **Appraisal.** If you and we do not agree on the amount of the loss, including the amount of **actual cash value** or **replacement cost**, then, on the written demand of either, each shall select a competent and disinterested appraiser and notify the other of the appraiser selected within 20 days of such demand. The appraisers shall first select a competent and disinterested umpire; and failing for 15 days to agree upon such umpire, then, on request of you or the company, such umpire shall be selected by a judge of a court of record in the state in which the property covered is located. The appraisers shall then appraise the loss, stating separately the **actual cash value** or **replacement cost** of each item, and, failing to agree, shall submit their differences, only, to the umpire. An award in writing, so itemized, of any two of these three, when filed with the company shall determine the amount of loss.

Each party will:

- a. pay its own appraiser; and
- b. bear the other expenses of the appraisal and umpire equally.

In no event will an appraisal be used for the purpose of interpreting any policy provision, determining causation or determining whether any item or loss is covered under this policy. If there is an appraisal, we still retain the right to deny the claim.

Item 8. **Suit Against Us** is deleted and replaced by the following:

8. **Suit Against Us.** No action shall be brought against us unless there has been compliance with the policy provisions and the action is started not longer than two years after the inception of the loss or damage.

Under 12. **Mortgage Clause**, the paragraph following item d. is deleted and replaced by the following:

Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee. If the policy is canceled or not renewed by us, the mortgagee shall receive the same number of days' notice as the "insured" under the Cancellation and/or Non-Renewal provisions of this policy.

The following is added to item 12. **Mortgage Clause**:

Mortgagee interests and obligations. If loss hereunder is made payable, in whole or in part, to a designated mortgagee not named herein as the **insured**, such interest in this policy may be cancelled by giving to such mortgagee a ten days' written notice of cancellation.

If the **insured** fails to render proof of loss such mortgagee, upon notice, shall render proof of loss in the form herein specified within sixty (60) days thereafter and shall be subject to the provisions hereof relating to appraisal and time of payment and of bringing suit. If this Company shall claim that no liability existed as to the mortgagor or owner, it shall, to the extent of payment of loss to the mortgagee, be subrogated to all the mortgagee's rights of recovery, but without impairing mortgagee's right to sue; or it may pay off the mortgage debt and require an assignment thereof and of the mortgage. Other provisions relating to the interests and obligations of such mortgagee may be added hereto by agreement in writing.

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## SECTION II - LIABILITY COVERAGES

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### LIABILITY LOSSES WE DO NOT COVER

Item 1.f.(2)(d) is deleted and replaced by the following:

- (d) a motorized land vehicle used solely for assisting the handicapped or solely for the maintenance of a residence, which is:
  - i. not designated for travel on public roads; and
  - ii. not subject to motor vehicle registration, licensing or permits;

The following is added to item **2.g.**:

If the State of Maine Department of Human Services or a lead inspector licensed by that department has given notice to the **insured**, or any person authorized to enter into a residential rental agreement on behalf of an **insured**, of the existence of an environmental lead hazard and ordered that the lead-based substances at the location be removed, replaced or securely and permanently covered within 30 days of receipt of the notice, exclusion **2.d.** above, will not apply to **bodily injury** resulting from lead-based substances for the period within 30 days of the receipt of notice or within any extension.

This waiver ceases on the 31st day following receipt of the notice by the **insured** or authorized person, or at the end of any extension of the order, unless the Department of Human Services states that the environmental lead hazard described in the notice no longer exists.

Item **2.i.** is deleted.

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## SECTION I AND II - PROPERTY AND LIABILITY CONDITIONS

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Item **2.** is deleted and replaced by the following:

- 2. Concealment or Fraud.** We do not provide coverage for the **insured** who, whether before or after a loss, has:
- a.** Intentionally concealed or misrepresented any material fact or circumstance;
  - b.** Engaged in fraudulent conduct; or
  - c.** Made false statements;
- relating to this insurance.

Under **4. Cancellation**, item **b.** is deleted and replaced by the following:

- b.** We may cancel this subject to the provisions of this condition 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 to you. A postal service certificate of mailing to the named **insured**, at the **insured's** last known address is conclusive proof of receipt on the fifth calendar day after mailing.
  - (1)** When you have not paid the premium, whether payable to us or our agent or under any finance or credit plan, we may cancel at any time by notifying you at least 10 days before the date cancellation takes effect.
  - (2)** When this policy or any coverage under this policy, has been in effect for less than 90 days at the time of notice of cancellation is received by you, or 120 days if the policy covers residential property expected to be continuously unoccupied for 3 or more months in any 12-month period and that is other than your primary residence and is not a renewal with us, we may cancel for any reason. Except as provided in Paragraph **b.(1)** above, we will notify you at least 20 days before the date cancellation takes effect.
  - (3)** When this policy has been in effect for 90 days or more at the time of notice of cancellation is received by you, or 120 days if the policy covers residential property expected to be continuously unoccupied for 3 or more months in any 12-month period and that is other than your primary residence, or at any time if it is a renewal with us, we may cancel for one or more of the following reasons:
    - (a)** Your conviction of a crime having as one of its necessary elements an act increasing any hazard insured against;
    - (b)** Fraud or material misrepresentation by you or your representative in obtaining this policy, including a failure to disclose a material fact during the application process that, if known by us, would have substantially altered the terms of the policy;
    - (c)** Fraud or material misrepresentation by you in pursuing a claim under this policy;
    - (d)** Negligent acts or omissions by an **insured** which substantially increase any hazard insured against;
    - (e)** Physical changes in the insured property which result in the property becoming uninsurable;

- (f) The insured property is vacant and custodial care is not maintained on the property;
- (g) A trampoline which remains on the insured property for 30 days or more after the date of notice you receive from us notifying you of our intent to cancel the policy if it is not removed;
- (h) An unfenced or improperly fenced swimming pool, that does not meet with the standards established in M.S.R.A. Title 22, Section 1631, which remains on the insured property for 30 days or more after the date of notice by us of the defective condition and intent to cancel the policy if it is not removed or fenced as required by law;
- (i) A loss caused by a dog bite and the dog whose bite caused the loss remains after you receive from us our notice of policy cancellation or non-renewal;
- (j) Your failure to comply with reasonable loss control recommendations within 90 days after you receive notice of the loss control recommendations from us; or
- (k) Violation of terms or conditions of the Policy.

This can be done by notifying you at least 20 days before the date cancellation takes effect.

Item **5. Non-Renewal** is deleted and replaced by the following:

**5. Non-Renewal.** We may elect not to renew this policy based on your receipt of our intention not to renew received by you. We may do so by written notice at least 30 days before the expiration date of your policy.

A post office certificate of mailing to the named **insured**, at the **insured's** last known address is conclusive proof of receipt on the third calendar day after mailing.

The following is added:

**THE FOLLOWING LIMITS OUR LIABILITY**

We, the insurance company, our agents, employees, or service contractors, are not liable for damages from injury, death or loss occurring as a result of any act or omission in the furnishing of or the failure to furnish insurance inspection services related to, in connection with or incidental to the issuance or renewal of a policy of property or casualty insurance.

This exemption from liability does not apply:

- a. If the injury, loss or death occurred during actual performance of inspection services and was proximately caused by our negligence, or by the negligence of our agents, employees or service contractors;
- b. To any inspection services required to be performed under the provisions of a written service contract or defined loss prevention program;
- c. In any action against us, our agents, employees, or service contractors for damages proximately caused by our acts or omissions which are determined to constitute a crime, actual malice or gross negligence; or
- d. If we fail to provide this written notice to the **insured** whenever the policy is issued or when new policy forms are issued upon renewal.

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**POLICY DEFINITIONS**

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Item **3.a. "Actual cash value"**, is deleted and replaced by the following:

- a. **"Actual cash value"** means the **replacement cost** of covered property at the time of loss, less the value of **physical depreciation** as to the damaged property.

The following is added to item **3.**:

**"Physical depreciation"** means a value as determined according to standard business practices.

All other provisions of this policy apply.