CAUSES OF LOSS SECTION-COVERAGES A, B, C, AND D
(CAUSES OF LOSS AND REPLACEMENT COST PROVISIONS)

(For use in Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Rockland, Suffolk and Westchester Counties)

Coverage A-*Residence*, Coverage B-Related Private Structures on the Premises and Coverage C- Personal Property.

We cover the ***Residence,*** **Related Private Structures on the Premises** and **Personal Property** against risks of direct physical loss unless specifically excluded.

EXCLUSIONS-Applicable to Coverage A and Coverage B.

In addition to the exclusions contained in the General Policy Provisions, the following exclusions also apply:

1. **Freezing, Discharge, Leakage or Overflow-Unoccupied *Residence***-if the ***residence*** is vacant, unoccupied (including temporary absence) or under construction and unoccupied, ***you*** must take reasonable care to:
   a. maintain heat in the building; or
   b. shut off the water supply and completely empty liquids from any plumbing, heating, air-conditioning or automatic fire protective sprinkler system or domestic appliance.

   If ***you*** fail to do this, ***we*** do not pay for loss caused by freezing or the resulting discharge, leakage or overflow from such system or domestic appliance.
2. **Freezing, Thawing, Pressure or Weight of Ice or Water-*We*** do not pay for damage to structures (other than buildings, carports or manufactured homes) such as swimming pools, fences, retaining walls, septic tanks, piers, wharves, foundations, patios and paved areas caused by freezing, thawing, or pressure or weight of ice or water, whether wind driven or not.
3. **Seepage or Leakage-*We*** do not pay for loss caused by repeated or continuous seepage or leakage of liquids or steam from within a plumbing, heating, air-conditioning or automatic fire protective sprinkler system or domestic appliance. Except as provided above, ***we*** pay for loss caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning or automatic fire protective sprinkler system or domestic appliance. ***We*** also pay the reasonable cost of removing and replacing those parts of the building or manufactured home necessary to make repairs. ***We*** do not pay for loss to the system or domestic appliance from which the liquid or steam escapes.

EXCLUSIONS- Applicable to Coverage A, Coverage B and Coverage C

In addition to the exclusions contained in the General Policy Provisions, the following exclusions also apply.

4. **Theft**- ***We*** do not pay for theft or attempted theft from the ***insured premises*** while a ***residence*** is:
   a. under construction and unoccupied; or
   b. vacant for more than 30 consecutive days immediately before the loss.
5. **Vandalism and Malicious Mischief or Glass Breakage-*We*** do not pay for loss caused by vandalism, malicious mischief or breakage of glass or other glazing materials while the ***residence*** is vacant for more than 30 consecutive days immediately before the loss. *A* ***residence*** under construction is not considered vacant.
6. **Settling, Cracking, Shrinking, Bulging or Expanding-*We*** do not pay for loss caused by the settling, cracking, shrinking, bulging or expanding of a building or manufactured home (or any part of a building or manufactured home), pavements, patios or any other outdoor structures.
7. **Birds, Vermin, Rodents, Insects or Domestic Animals-*We*** do not pay for loss caused by birds, vermin, rodents, insects or domestic animals ***We*** pay for loss or damage by domestic animals other than those domestic animals owned or kept by an ***insured***
8. **Smoke-*We*** do not pay for damage caused by smoke from agricultural smudging or industrial operations.

We pay for direct loss by fire, explosion or smoke (not otherwise excluded) which results from any of the above.

EXCLUSIONS - Applicable to Coverage C

In addition to the exclusions contained in the General Policy Provisions, the following exclusions also apply.

9. ***We*** **do not pay for loss or damage:**
   a. by deterioration, wear and tear, insect, vermin, inherent vice, or damage due to repairing, refinishing or while being worked on, unless fire ensues and then only for the loss or damage by such ensuing fire;
   b. by mechanical breakdown, rust, fouling or explosion of fire arms;
   c. by breakage, marring or scratching of eyeglasses, glassware, statuary, porcelains and similar fragile or brittle articles other than jewelry, watches, photographic lenses and cameras; or
   d. by theft of personal property that occurs away from the ***insured premises***.

WHAT WE PAY FOR

Our limit of Liability-***We*** pay the lesser of the following amounts for each covered item:

1. the applicable limit of liability;
2. the extent of ***your*** insurable interest in the property;
3. the ***replacement cost*** of the property as defined in this policy;
4. the amount computed after application of the deductible or other limitation applying to the loss; or
5. the full cost to repair or replace the property.

REPLACEMENT COST PROVISION

We agree to extend Coverages A, B and C to cover the ***replacement cost*** of the covered real and personal property. The following provisions apply:

1. **Definition-*Replacement Cost*** means the cost to repair or replace the property with new property of equivalent kind and quality to the extent practicable, without deduction for depreciation.
2. ***Replacement cost*** limitations
   This form does not apply to the following property:
   a. any building not having a permanent foundation and roof;
   b. 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;
   c. curtains and drapes;
   d. awnings and canopies;
   e. ***Business*** property;
   f. property not owned by an ***insured****;*
   g. film, tapes, cassettes, records, magnetic recordings or similar property;
   h. antiques, fine arts and similar items of antiquity or rarity that cannot be replaced;
   i. property covered by any scheduled insurance;
   j. collections, memorabilia, photographs or similar items whose age or history contribute to their value;
   k. property which by its inherent nature cannot be replaced; and
   1. articles that are not maintained in working order, articles in storage and not in use and obsolete or outmoded articles.

   Actual cash value provisions apply to property described (a) through (1) above.
3. 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(s) or personal property, ***we*** are not liable for more than the actual cash value of the loss until actual repair or replacement is completed.
4. ***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 the loss.