



## DWELLING POLICY - WINDSTORM AND HAIL

AGREEMENT .....	1
DEFINITIONS .....	1
COVERAGES .....	1
COVERED PROPERTY .....	1
PROPERTY NOT COVERED .....	2
ADDITIONAL COVERAGES AND EXTENSIONS OF COVERAGE.....	3
DEBRIS REMOVAL.....	3
REASONABLE REPAIRS.....	3
IMPROVEMENTS, ALTERATIONS AND ADDITIONS .....	3
PROPERTY REMOVED .....	3
PERILS INSURED AGAINST.....	3
EXCLUSIONS.....	4
DEDUCTIBLE .....	5
CONDITIONS .....	5
POLICY PERIOD.....	5
INSURABLE INTEREST AND LIMIT OF LIABILITY .....	5
FRAUDULENT MISREPRESENTATION .....	5
DUTIES AFTER LOSS.....	5
YOUR DUTIES AFTER LOSS.....	5
OUR DUTIES AFTER LOSS.....	6
LOSS PAYMENT .....	7
LOSS SETTLEMENT .....	7
COINSURANCE.....	8
MORTGAGE CLAUSE (Without Contribution).....	9
OTHER INSURANCE .....	10
APPRAISAL.....	10
LAWSUIT AGAINST US .....	10
SUBROGATION (TRANSFER OF RIGHTS OF RECOVERY	
AGAINST OTHERS TO US).....	11
ABANDONMENT OF PROPERTY.....	11
WAIVER OR CHANGE OF POLICY PROVISIONS .....	11
CANCELLATION.....	11
ASSIGNMENT .....	12
INSPECTIONS AND SURVEYS.....	12
RESIDENTIAL COMMUNITY PROPERTY.....	12
REFUSAL TO RENEW OR RENEWAL WITH CHANGES.....	13
LIBERALIZATION.....	13

# Weston Insurance Company Dwelling Policy

## Windstorm and Hail

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "we", "us", and "our" refer to Weston Insurance Company. "You" and "your" refer to the named insured shown in the Declarations.

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### AGREEMENT

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We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

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### DEFINITIONS

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In this policy:

1. "Business day" means a day other than a Saturday, Sunday, or holiday recognized by the state of Texas.
2. "Fungi or mold and other microorganisms" means the presence, growth, proliferation, spread or any activity of fungi or mold and other microorganisms.

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### COVERAGES

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#### COVERED PROPERTY

This insurance applies to the described location and coverages for which a limit of liability is shown in the Declarations.

#### COVERAGE A (Dwelling)

##### We cover:

1. The dwelling on the described location shown in the Declarations, used principally for dwelling purposes, including structures attached to the dwelling, unless listed in the PROPERTY NOT COVERED section of the policy.

2. Materials and supplies located on or next to the described location used to construct, alter or repair the dwelling on the described location. The total limit of liability for this item is 10% of the Coverage A (Dwelling) limit of liability. This is not additional insurance and does not increase the Coverage A (Dwelling) limit of liability.
3. If not otherwise covered in this policy, building equipment and outdoor equipment used for the service of and located on the described location.
4. Maintenance equipment and supplies, floor coverings, window shades, refrigerators and stoves that you own as a landlord, located on the described location.

#### COVERAGE B (Other Structures)

##### We cover:

1. Other structures on the described location, set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line or similar connection.

The total limit of liability for other structures is the amount shown for this item on your Declarations. This is not additional insurance and does not increase the Coverage A (Dwelling) limit of liability. We do not cover other structures used for business purposes.

2. Other structures specifically described in the Declarations. We do not cover other structures used for business purposes.
3. Materials and supplies located on or next to the described location used to construct, alter or repair the other structures on the described location. The total limit of liability for this item is the amount shown for this item on your Declarations. This is not additional insurance and does not increase the Coverage A (Dwelling) limit of liability.

## **COVERAGE C (Personal Property)**

### **We cover:**

Personal property and business personal property owned or used by you or members of your family residing with you while it is on the described location. At your request, we will cover personal property owned by a guest or residence employee while the property is on the described location.

You may use up to 10% of the Coverage C (Personal Property) limit of liability for loss by windstorm or hail to personal property covered under Coverage C (Personal Property) while anywhere in the world. This coverage does not apply to business personal property or property of guests or residence employees. This is not additional insurance and does not increase the Coverage C (Personal Property) limit of liability.

At your request, you may use up to 10% of the Coverage C (Personal Property) limit of liability for loss by windstorm or hail to property of others while in your custody and located on the described location. This is not additional insurance and does not increase the Coverage C (Personal Property) limit of liability.

### **PROPERTY NOT COVERED**

#### **We do not cover:**

1. Animals.
2. Money, currency or bullion.
3. Securities, deeds, or evidences of debt.
4. Records, books of records or manuscripts.
5. Motor or engine propelled vehicles or machines designed for movement on land, including attached machinery or equipment. However, we do cover such vehicles, while located in a fully enclosed building, which are not subject to motor vehicle registration and are:
  - a. Devices and equipment for assisting the handicapped.
  - b. Power mowers and other lawn and garden equipment not exceeding 18 horsepower.
  - c. Golf carts.
  - d. Vehicles or machines used for recreational purposes while located on the described location.
6. Aircraft, meaning any device used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo.
7. Watercraft, including outboard motors and furnishings or equipment. However, we do cover watercraft, including outboard motors and furnishings or equipment, while located on land in a fully enclosed building on the described location.
8. Unless specifically described in the Declarations:
  - a. Cloth awnings.
  - b. Greenhouses and their contents.
  - c. Metal screen enclosures and their contents.
  - d. Buildings or structures located wholly or partially over water and their contents.
  - e. Radio and television towers.
  - f. Outside satellite dishes, masts and antennas, including lead-in wiring.
  - g. Windmills and wind chargers.
9. Wind turbines.
10. Breakaway walls, or personal property contained within a breakaway wall enclosure. Breakaway wall means a wall that is not a part of the structural support of the building and is intended through its design and construction to collapse under specific lateral loading forces, without causing damage to the elevated portion of the building or supporting foundation systems.
11. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due from the other insurance.
12. Land, including land on which the other structures are located.

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**ADDITIONAL COVERAGES AND  
EXTENSIONS OF COVERAGE**  
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1. Debris Removal.

We will pay your expense for the removal from the described location of:

- a. Debris of covered property if windstorm or hail causes the loss.
- b. A tree that has damaged covered property if windstorm or hail causes the tree to fall.

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

When insurance under another policy applies to the damaged property, we will pay only a proportion of debris removal expense, determined by dividing the limit of liability that applies to the damaged property on this policy by the total limit of liability that applies to the damaged property under both policies, and applying the resulting percentage to the debris removal expense.

2. Reasonable Repairs.

If windstorm or hail causes the loss, we will pay the reasonable cost you incur for necessary repairs made solely to protect covered property from further damage. This coverage does not increase the limit of liability that applies to the property being repaired.

3. Improvements, Alterations and Additions.

- a. If you are a tenant of the described location, the Coverage C (Personal Property) limit of liability applies to a loss caused by windstorm or hail to improvements, alterations and additions, made or acquired at your expense, to that part of the described location used only by you.
- b. If you are a condominium owner at the described location, the Coverage C (Personal Property) limit of liability applies to a loss caused by windstorm or hail to alterations, fixtures, installations and additions which are part of the building and contained within the unfinished interior

surfaces of the perimeter walls, floors and ceilings of the condominium unit, and the exterior surfaces of balconies and terraces of the condominium unit. Coverage C (Personal Property) does not include property in or on the condominium unit which is defined in the condominium's declarations or by-laws as a common element.

This is not additional insurance and does not increase the Coverage C (Personal Property) limit of liability.

4. Property Removed.

We will pay for expense and damage incurred in the removal of covered property from the described location endangered by windstorm or hail. This coverage exists on a pro-rata basis for 30 days at each location to which such property is removed for preservation. This is not additional insurance and does not increase the Coverage C (Personal Property) limit of liability.

5. Consequential Loss.

Coverage C (Personal Property) is extended to cover personal property against loss due to utility failure if such failure is a result of physical damage caused by windstorm or hail to power, heating or cooling equipment situated on the premises where the covered property is located.

This is not additional insurance and does not increase the limit of liability for Coverage C (Personal Property). The most we will pay under this endorsement, in any one policy period, for this Consequential Loss extension of coverage is \$500.

Coverages A and B and, if purchased, Coverage D are not affected by this coverage.

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**PERILS INSURED AGAINST**  
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We cover direct physical loss to the covered property caused by windstorm or hail unless the loss is excluded in the Exclusions.

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**EXCLUSIONS**  
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The following exclusions apply to loss to covered property:

1. Flood.

We do not cover under any and all circumstances loss or damage caused by or resulting from flood, surface water, waves, storm surge, tides, tidal water, tidal waves, tsunami, seiche, overflow of streams or other bodies of water, or spray from any of these, all whether driven by wind or not.

2. Governmental Action.

We do not cover loss caused by the destruction of property by order of governmental authority.

3. War.

We do not cover loss resulting directly or indirectly from war. This includes undeclared war, civil war, insurrection, rebellion, revolution, warlike act by military personnel, destruction or seizure or use for military purpose, and any consequence of these. Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

4. Nuclear Hazard.

We do not cover loss resulting directly or indirectly from nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused.

5. Power Failure.

We do not cover loss resulting directly or indirectly from power failure, unless such failure results from direct physical damage to power, heating or cooling equipment located on the described location caused by windstorm or hail.

6. Rain.

We do not cover loss or damage caused by or resulting from rain, whether driven by wind or not, unless direct force of wind or hail makes an opening in a roof or wall and rain enters through this opening and causes the damage.

7. Electricity.

We do not cover loss to electrical devices or wiring caused by electricity resulting from artificial causes.

8. Ordinance or Law.

We do not cover loss or damage caused directly or indirectly by the enforcement of any ordinance or law:

- a. Regulating the construction or repair of any property; or
- b. Requiring the demolition of any property, including the cost of removing its debris.

9. Mold, Fungi, or Other Microorganisms.

We do not cover loss or damage caused by or resulting from "fungi or mold and other microorganisms", except as provided in 9.b.

- a. This exclusion also applies to the cost:
  - (1) To remove "fungi or mold and other microorganisms" from covered property covered under this policy.
  - (2) To tear out and replace any part of the building or other covered property as needed to gain access to the "fungi or mold and other microorganisms"; and
  - (3) Of testing of air or property to confirm the absence, presence or level of "fungi or mold and other microorganisms";
- b. This exclusion applies unless the "fungi or mold and other microorganisms" are located upon the portion of covered property which must be repaired or replaced because of sudden and accidental direct physical damage resulting from wind or hail which would otherwise be covered under this policy. For purposes of this exclusion, sudden and accidental shall include a loss event that is hidden or concealed for a period of time until it is detectable. A hidden loss must be reported to us no later than 30 days after the date it was detected or should have been detected.

c. However, the exception to the exclusion described in b. above does not include:

- (1) the cost to treat, contain, remove or dispose of the "fungi or mold and other microorganisms" beyond that which is required to repair or replace the covered property physically damaged by water;
- (2) the cost of any testing of air or property to confirm the absence, presence or level of "fungi, mold and other microorganisms" whether performed prior to, during or after the removal, repair, restoration or replacement;
- (3) the cost of any decontamination of the covered property covered under this policy;
- (4) any increase in loss under this policy related to loss of use, debris removal, additional living expense, or diminution in value resulting from c. (1), (2), and (3).

10. Asbestos.

We do not cover any loss or damage caused by or resulting from asbestos. We do cover direct physical loss caused by windstorm or hail to covered property containing asbestos materials; however, we do not cover the additional cost or expense to test for, monitor, clean up, remove, contain, treat, abate or assess the effects of asbestos or asbestos-containing materials.

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**DEDUCTIBLE**  
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We will not pay for loss or damage to any item in any one occurrence until the amount of loss or damage exceeds the Deductible amount shown in the Declarations for that item. We will then pay the amount of loss or damage for that item in excess of the Deductible amount, up to the applicable limit of liability, after any deduction required by the Coinsurance Condition.

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**CONDITIONS**  
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1. Policy Period. This policy applies only to loss which occurs during the policy period shown in the Declarations.
2. Insurable Interest and Limit of Liability. Even if more than one person has an insurable interest in the property covered, we will not be liable in any loss:
  - a. For an amount greater than the interest of a person insured under this policy; or
  - b. For more than the applicable limit of liability.
3. Fraudulent Misrepresentation.
  - a. This policy is void as to an insured, if the insured has fraudulently misrepresented in proof of loss or death a fact material to the question of our liability under the policy, and the insured's misrepresentation misled and caused us to waive or lose a valid defense to the policy.
  - b. This policy is void as to an insured, if the insured has fraudulently misrepresented in the application for the policy any fact material to the risk, and the insured's misrepresentation contributed to the contingency or event on which the policy became due and payable.
4. Duties After Loss.
  - a. Your Duties After Loss.

You must see that the following are done in the event of loss or damage to covered property:

    - (1) Notify the police if a law may have been broken.
    - (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
    - (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
    - (4) Take all reasonable steps to protect the covered property from further damage,

and keep a record of your expenses necessary to protect the covered property, for consideration in the settlement of the claim.

This will not increase the Limit of Insurance. Also, if feasible, set the damaged property aside and in the best possible order for examination.

(5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.

Attach all bills, receipts and related documents that justify the figures in the inventory.

(6) As often as may be reasonably required permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

(7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim.

(a) You must do this within 91 days after our request. We will supply you with the necessary forms.

(b) Cooperate with us in the investigation or settlement of the claim.

(c) We may examine you or any insured under oath, and take recorded statements; while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed. Additionally, if the insured being examined under oath is a minor, a parent or a guardian may be present.

(d) If you are an association, corporation or other entity; any members officers, directors, partners

or similar representatives of the association, corporation or other entity must:

i. Submit to examinations under oath and recorded statements, while not in the presence of any other insured. At such time, if the insured being examined under oath is a minor, a parent or a guardian may be present; and

ii. Sign the same.

(e) Your agents, your representatives, including any public adjusters engaged on your behalf, and anyone insured under this policy, other than (d) above; must:

i. Submit to examinations under oath and recorded statements, while not in the presence of any insured. At such time, if the insured being examined under oath is a minor, a parent or a guardian may be present; and

ii. Sign the same.

b. Our Duties After Loss.

(1) Not later than the 15th day after the date the claim is filed, we will acknowledge receipt of the claim;

(a) We will commence any investigation of the claim; and

(b) We may request from you all items, statements, and forms that we reasonably believe, at that time, will be required from you.

(2) We may make additional requests for information if during the investigation of the claim the additional requests are necessary.

(3) If acknowledgment of receipt of a claim is not made in writing, we shall make a record of the date, manner, and content of the acknowledgment.

(4) We will notify you of acceptance or rejection of your claim:

- (a) Not later than the 15th business day after the date we receive all items, statements, and forms required by us to secure final proof of loss;
- (b) Not later than the 30th business day after the date we receive all items, statements, and forms required by us, if we have a reasonable basis to believe that the loss resulted from arson;
- (c) If we are unable to accept or reject your claim within the time period specified under (a) or (b) above, we will, within the same time period, notify you of the reasons that we need additional time. We will accept or reject your claim not later than the 45th day after the date we notify you of our need for additional time under this section.

5. Loss Payment.

- a. If we notify you under Condition 4.b. that we will pay your claim, or part of your claim, we must make payment not later than the 5<sup>th</sup> "business day" after we notify you.
- b. If payment of your claim or part of your claim requires the performance of an act by you, we must make payment not later than the 5<sup>th</sup> "business day" after the date the act is performed.

6. Loss Settlement. Covered property losses are settled as follows:

- a. Our liability and payment for covered losses to personal property, carpeting, outdoor antennas, awnings, fences, and structures other than buildings will not exceed the smallest of the following:
  - (1) The actual cash value of the damaged property at the time of loss, determined with proper deduction for depreciation;
  - (2) The cost to repair or replace the damaged property with material of like kind and quality; or

(3) The specified limit of liability of the policy.

- b. Our liability and payment for covered losses to dwelling and other building(s) under Coverage A (Dwelling) and Coverage B (Other Structures) will be subject to the following:

(1) If, at the time of loss, the Coverage A (Dwelling) limit of liability is 80% or more of the full replacement cost of the dwelling, we will pay the repair or replacement cost of the damaged building(s), without deduction for depreciation.

(2) If, at the time of loss, the Coverage A (Dwelling) limit of liability is less than 80% of the full replacement cost of the dwelling, we will pay no more than the replacement cost of the damaged building(s) at the time of loss, less depreciation.

(3) In determining the amount of insurance required to equal 80% of the full replacement cost of the dwelling, we do not include the value of excavations, underground pipes, underground wiring and foundations which are below the surface of the ground.

(4) We will pay only the actual cash value of the damaged building(s) until repair or replacement is completed. Repair or replacement must be completed within 545 days of the date we notify you of the amount we will pay under Condition 4.b. Upon completion and documentation of repairs or replacement, we will pay the additional amount claimed under replacement cost coverage, but our payment will not exceed the smallest of the following:

(a) The limit of liability under this policy applicable to the damaged or destroyed building(s);

(b) The cost to repair or replace that part of the building(s) damaged, with material of like kind and

quality and for the same use and occupancy on the same premises; or

- (c) The amount actually and necessarily spent to repair or replace the damaged building(s), as documented by records, including invoices, bills, statements, and receipts, submitted to us under Condition 4.a.(5).

- c. If you dispute the additional amount we will pay for the repair or replacement of the damaged building(s) under Condition 6.b.(4), you may request that this amount be determined by appraisal under Condition 10.

## 7. Coinsurance.

- a. If a coinsurance percentage is shown in the Declarations, we will not pay the full amount of any loss if the actual cash value of covered property at the time of loss times the coinsurance percentage shown for it in the Declarations is greater than the limit of insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the actual cash value of covered property at the time of loss by the coinsurance percentage;
- (2) Divide the limit of insurance of the property by the figure determined in step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in step (2); and
- (4) Subtract the deductible from the figure determined in step (3).

We will pay the amount determined in step (4) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In applying this coinsurance clause we will disregard the value of foundations of buildings which are below the surface of the lowest basement floor or, where there is no basement, which are below the surface of the ground. We will not consider the cost of removal of debris in the determination of actual cash value when applying the coinsurance clause.

We will not require a special inventory or appraisal of undamaged property if your total claim for loss is:

- (1) Less than \$10,000 and
- (2) Less than 5% of the limit of insurance on the described property.

This provision does not waive any of the requirements of the coinsurance clause.

- b. This coinsurance clause does not apply to the dwelling or personal property if the limit of liability is equal to or greater than the total amount of fire insurance in effect at the time of the loss.

### Coinsurance Examples

#### Example No. 1 (Underinsurance):

When:

The actual cash value of the property is \$125,000

The coinsurance percentage for it is 80%

The limit of liability is \$80,000

The deductible is \$800

The amount of loss is \$25,000

Step (1)  $\$125,000 \times 80\% = \$100,000$

(the minimum amount of insurance to meet your coinsurance requirement)

Step (2)  $\$80,000 \div \$100,000 = .80$

Step (3)  $\$25,000 \times .80 = \$20,000$

Step (4)  $\$20,000 - \$800 = \$19,200$

We will pay no more than \$19,200. The remaining \$5,800 is not covered.

#### Example No. 2 (adequate insurance)

When:

The actual cash value of the property is \$125,000

The coinsurance percentage for it is 80%

The limit of liability is \$100,000

The deductible is \$1,000

The amount of loss is \$25,000

Step (1)  $\$125,000 \times 80\% = \$100,000$

(the minimum amount of insurance to meet your coinsurance requirement)

Step (2)  $\$100,000 \div \$100,000 = 1.00$

Step (3)  $\$25,000 \times 1.00 = \$25,000$

Step (4)  $\$25,000 - \$1,000 = \$24,000$

We will pay \$24,000 of the loss. No penalty applies.

8. Mortgage Clause (Without Contribution).

- a. The word "mortgagee" includes trustee.
- b. We will pay for any covered loss of or damage to buildings or structures to the mortgagee shown in the Declarations as interests appear.
- c. The mortgagee has the right to receive loss payment even if the mortgagee has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this policy, the mortgagee has the right to receive loss payment if the mortgagee:
  - (1) At our request, pays any premiums due under this policy, if you have failed to do so.
  - (2) submits to us any information we requested from you under Condition 4.a.(5) promptly after receiving notice from us of your failure to do so.
  - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgagee.

All of the terms of this policy will then apply directly to the mortgagee. Failure of the mortgagee to comply with d.(1), d.(2) or d.(3) above shall void this policy as to the interest of the mortgagee.

- e. If we pay the mortgagee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this policy:
  - (1) The mortgagee's rights under the mortgage will be transferred to us to the extent of the amount we pay.
  - (2) The mortgagee's right to recover the full amount of the mortgagee's claim will not be impaired.

At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If this policy is canceled, we will give the mortgagee specifically named in the Declarations written notice of cancellation.

If we cancel the policy, we will give the mortgagee the same number of days' notice of cancellation we give you.

If you cancel the policy, we will give the mortgagee notice of cancellation to be effective on the date stated in the notice. The effective date of cancellation cannot be before the 10th day after we mail notice.

We will not give notice of cancellation to any successor or assignee of the mortgagee named in this policy.

- g. If the property described under Coverage A (Dwelling) is foreclosed upon under the deed of trust, the mortgagee may cancel this policy of insurance and will be entitled to any unearned premiums from this policy.

The mortgagee must credit any unearned premium against any deficiency owed by the borrower and return any unearned premium not so credited to the borrower.

9. Other Insurance.

- a. If property covered by this policy is also covered by other insurance, we will pay only the proportion of a loss caused by windstorm or hail under this policy that the limit of liability applying under this policy bears to the total amount of insurance covering the property.
- b. If glass or an item of personal property is insured specifically under any other policy, then this policy applies as excess insurance over the specific insurance.
- c. If a loss covered by this policy is also covered by other insurance in the name of a condominium association, the insurance provided in this policy will be excess over the amount collectible under the other insurance.

10. Appraisal.

- a. If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a district court of a judicial district where the loss occurred.
- b. The two appraisers will then determine the amount of loss, stating separately for the portion of the claim for which we have accepted coverage in full or in part:
  - (1) The actual cash value of the damaged property at the time of loss, determined with proper deduction for depreciation; and
  - (2) The cost to repair or replace the damaged property with material of like kind and quality.
- c. If you or we request that they do so, the appraisers will also determine:

(1) The full replacement cost of the building at the time of loss for purposes of the Loss Settlement Condition; and

(2) The value of the covered property at the time of loss for purposes of the Coinsurance Condition.

- d. If you or we request that they do so, the appraisers will also determine the amount that you necessarily spent to repair or replace the damaged property.
- e. If you or we request that they do so, the appraisers will also determine the amount of loss for any extensions of coverage for which we have accepted coverage in full or in part.
- f. If the appraisers fail to agree, they will submit their differences to the umpire. An itemized decision agreed to by any two of these three and filed with us will determine the amount of the loss.
- g. You and we are responsible in equal shares for paying the costs incurred or charged in connection with the appraisal, including expenses of the appraisers and umpire. If we pay more than our share of the costs of appraisal, our liability and payment for covered losses shall be reduced by the amount we pay in excess of our share.

11. Lawsuit Against Us.

- a. No suit or action can be brought against us unless there has been full compliance with all of the terms under this policy. Action must be brought against us within two years and one day from the date the cause of action first accrues.
- b. With respect to suits brought in connection with claims for loss caused by windstorm or hail in the catastrophe area, as defined by the Texas Insurance Code:

No action can be brought against us unless there has been compliance with all of the

terms of this policy. The action must be brought:

- (1) not later than two years and one day after the date on which you receive written notification from us that we have denied a claim in full or in part; or
- (2) not later than three years and one day from the date of the loss that is the subject of the claim..

12. Subrogation (Transfer of Rights of Recovery Against Others to Us). If any person or organization to or for whom we make payment under this policy has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing, prior to a loss to your covered property.

13. Abandonment of Property. There can be no abandonment of property to us.

14. Waiver or Change of Policy Provisions. This policy contains all the agreements between you and us concerning the insurance afforded. You are authorized to make changes in the terms of this policy with our consent; however, this policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

15. Cancellation.

- a. You may cancel this policy at any time, for any reason, by giving us advance notice of the future cancellation effective date. We will send you any refund due within 15 business days of the effective date of cancellation. The refund amount will be determined as described in Special Provisions – Texas endorsement, WIC TX DW SP 11 15.
- b. We may cancel this policy for the reasons stated in this condition by mailing you notice in writing of the date cancellation takes effect. Our notice of cancellation will state the reason for cancellation. We will send you any refund due within 15 business

days of the effective date of cancellation. The refund amount will be determined as described in Special Provisions – Texas endorsement, WIC TX DW SP 11 15.

- c. If this policy has been in effect for less than 60 days and is not a renewal policy, we may cancel this policy if we identify a condition that:
  - (1) creates an increased risk of hazard;
  - (2) was not disclosed in the application for insurance coverage; and
  - (3) is not the subject of a prior claim;or

we may cancel before the effective date of the policy, if we do not accept a copy of a required inspection report that:

- (1) was completed by an inspector who is licensed by the Texas Real Estate Commission or who is otherwise authorized to perform inspections; and
- (2) is dated not earlier than the 90th day before the effective date of the policy.

- d. If this policy has been in effect 60 days or more or at any time if it is a renewal policy, we may not cancel this policy unless:

- (1) You do not pay the premium or any portion of the premium due.
- (2) The Texas Department of Insurance determines that continuation of the policy would violate the Texas Insurance Code or any other laws governing the business of insurance in this state.
- (3) You submit a fraudulent claim.
- (4) There is an increase in the hazard covered by this policy that is within your control and that would produce an increase in the premium rate of this policy.

The effective date of cancellation cannot be before the 14th day after we mail the notice.

- e. We may not cancel solely because you are an elected official.

16. Assignment. Your rights and duties under this policy may not be transferred without our prior written consent except as follows:

- a. If you die, your rights and duties will be transferred to your legal representative subject to our right to verify your legal representative's authority to act in your behalf.
- b. If you sell the real property insured by this policy, you may assign your rights and duties under this policy to the new owner. However:

- (1) The new owner may not change any of the terms of this policy without our prior written consent, and
- (2) You, the new owner, or your agent shown in the Declarations must notify us in writing of the change in ownership within 30 days after the real estate closing.

17. Inspections and Surveys. We have the right to:

- a. Make inspections and surveys at any time;
- b. Give you reports on the conditions we find; and
- c. Recommend changes.

We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged.

We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that conditions:

- a. Are safe or healthful; or
- b. Comply with laws, regulations, codes or standards

This Inspections and Surveys condition applies not only to us, but also to any rating, advisory,

inspection service or similar organization which makes insurance inspections, surveys, reports or recommendations.

18. Residential Community Property. This policy, subject to all other terms and conditions, when covering residential community property, as defined by state law, shall remain in full force and effect as to the interest of each spouse covered, irrespective of divorce or change of ownership between the spouses until the expiration of the policy or until canceled in accordance with the terms and conditions of this policy.

19. Refusal to Renew or Renewal with Changes.

- a. We may not refuse to renew this policy because of claims for losses resulting from natural causes.
- b. We may not refuse to renew this policy solely because you are an elected official.
- c. We may refuse to renew this policy if you have filed three or more claims under the policy in any three-year period that do not result from natural causes.

If you have filed two claims in a period of less than three years, we may notify you in writing that if you file a third claim during the three-year period, we may refuse to renew this policy by providing you proper notice of our refusal to renew as provided in d. below. If we do not notify you after the second claim, we may not refuse to renew this policy because of losses.

A claim does not include a claim that is filed but is not paid or payable under the policy.

- d. If we refuse to renew this policy or offer to renew this policy with changes, we must mail to you at your mailing address shown on the Declarations page and any mortgagee named on the Declarations page, written notice of our refusal to renew or renewal with changes not later than the 30th day before the date on which this policy expires. The notice will include the reason for the nonrenewal. Proof of mailing will be sufficient proof of notice. If we fail to give you proper notice of our decision not to renew or renewal

with changes, you may require us to renew the policy on the expiration of the policy.

20. Liberalization. If the commissioner of insurance approves a revision which would

broaden or extend the coverage under the Texas Windstorm Insurance Association policy without additional premium within 45 days prior to or during the policy period, the broadened or extended coverage will immediately apply to this policy.

IN WITNESS WHEREOF: In consideration of your paid premium, Weston Insurance Company is proud to extend to you the coverage offered by this insurance contract.

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Michael C. Lyons  
President, Weston Insurance Company