

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – MASSACHUSETTS

SECTION I – CONDITIONS

C. Duties After Loss

Paragraphs **4.**, **6.**, **7.** and **8.** are replaced by the following:

- 4.** 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;
- 6.** 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;
- 7.** We may reasonably require you to:
 - a.** Exhibit the damaged property;
 - b.** Provide us with records and documents pertinent to the loss and permit us to make copies; and
 - c.** Submit to an examination under oath, while not in the presence of another "insured", and sign the same;
- 8.** 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:
 - a.** The time and cause of loss;
 - b.** The interest of all "insureds" and all others in the property involved and all encumbrances on the property;
 - c.** Other insurance which may cover the loss;
 - d.** Changes in title or occupancy of the property during the term of the policy;
 - e.** Detailed estimates for repair of the damage;
 - f.** An inventory of damaged personal property described in **6.** above;
 - g.** Receipts for additional living expenses incurred and records supporting the fair rental value loss; and
 - h.** Evidence or affidavit supporting a claim under the Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money Coverage, stating the amount and cause of loss.

D. Loss Settlement

(This is not applicable to Form **HO 00 04** or Form **HO 00 06.**)

Paragraph **D.2.a.** is replaced by the following:

- a.** 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, without deduction for depreciation. We will pay replacement cost if the damaged building is repaired or replaced by you on the "residence premises" or some other location within the Commonwealth of Massachusetts within a reasonable time, but not more than two years from the date of loss.

We will pay the least of the following amounts:

- (1)** The limit of liability under this policy that applies to the building;
- (2)** The replacement cost of that part of the building damaged with material of like kind and quality and for like use; or
- (3)** The necessary amount actually spent to repair or replace the damaged building.

If the building is rebuilt at a new premises, the cost described in **(2)** above is limited to the cost which would have been incurred if the building had been built at the original premises.

Paragraph **F. Appraisal** is replaced by the following:

F. Arbitration

If you and we fail to agree on the amount of loss, we shall, upon receipt of your written request to do so, refer this 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.

Paragraph **H. Suit Against Us** is replaced by the following:

H. Suit Against Us

No action can be brought against us unless there has been full compliance with all the terms under Section **I** of this policy and the action is started within two years after the date loss 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.

Paragraph **I. Our Option** is replaced by the following:

I. 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 material or property of like kind or quality.

Paragraph **J. Loss Payment** is replaced by the following:

J. 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.

L. Mortgage Clause

Paragraph **3.** is replaced by the following:

3. If we decide to cancel or not to renew this policy, the mortgagee shown in 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.

(This Condition does not apply to Form **HO 00 04.**)

The following Conditions are added:

T. City Or Town Liens

We are required by Massachusetts law that we must notify the local inspector of buildings or 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.

If prior to payment we receive official notice of a pending or existing lien against your premises, 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.

U. Vacancy

Unless otherwise provided in writing, we shall 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 other residential purposes.

(These are Conditions **S.** and **T.** in Form **HO 00 04.**)

SECTION II – CONDITIONS

C. Duties After "Occurrence"

Paragraph **4.a.** is deleted.

Paragraph **D. Duties Of An Injured Person – Coverage F – Medical Payments To Others** is replaced by the following:

D. Duties Of An Injured Person – Coverage F – Medical Payments To Others

- 1.** The injured person or someone acting for the injured person will:
 - a.** Give us written proof of claim, under oath if required, as soon as is practicable; and
 - b.** Execute authorization to allow us to obtain copies of pertinent medical reports and records.
- 2.** The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require. We will pay for the cost of the examination.

SECTIONS I AND II – CONDITIONS

C. Cancellation

Paragraphs 2. and 4. are replaced by the following:

2. We may cancel this policy only for the reasons stated below by letting you know 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.
 - a. When you have not paid the premium, whether payable to us or to our agent or under any finance or credit plan, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
 - b. 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 five days before the date cancellation takes effect.
 - c. 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 by letting you know five days before the date cancellation takes effect:
 - (1) Conviction of an act which increases the chances of loss under this policy;
 - (2) Discovery of fraud or material misrepresentation by the "insured" in obtaining this policy;
 - (3) Discovery of willful or reckless acts or omissions by the "insured" increasing the hazard insured against;

- (4) Physical changes in the property insured, which result in the property becoming uninsurable; or
- (5) A determination by the commissioner that continuation of the policy will violate or place the insurer in violation of the law.

Where the stated reason is nonpayment of premium, you may continue the coverage and avoid the effect of the cancellation by payment at any time prior to the effective date of cancellation.

4. 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.

Paragraph D. **Nonrenewal** is replaced by the following:

D. 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. Proof of mailing will be sufficient proof of notice.

If Scheduled Personal Property Endorsement **HO 04 61** is made part of this policy, Condition **F.3. Pair, Set Or Parts Other Than Fine Arts** of Endorsement **HO 04 61** is replaced by the following:

3. Pair, Set Or Parts Of Property Other Than Fine Arts

In case of a loss we may elect to:

- a. Repair or replace any part to restore the pair or set to its value before the loss; or
- b. Pay the difference between actual cash value of the property before and after the loss.

All other provisions of this policy apply.