

Introduction of Homeowners Home-sharing & Unmanned Aircraft Endorsements

About This Filing

This filing introduces and revises several endorsements related to two emerging trends:

1. Home-sharing

Home-sharing service providers, which connect travelers looking for rentals with homeowners or renters seeking to rent out their homes, spare rooms in their homes or apartments for compensation, have grown in popularity. These rental arrangements can be on an extremely short-term (i.e. one night) basis or longer. Home-sharing services provide smart phone mobile applications and other easily accessible online platforms that are appealing to individuals seeking to earn income. Also, this new technology allows for the method of payment to be made easier through the mobile application.

Examples of possible users of a home-sharing online service include:

- ◆ Tenants who can potentially profit from renting out an apartment for extra income;
- ◆ Retirees who may be short on retirement savings and could potentially earn additional income through the more frequent rental of spare rooms;
- ◆ Homeowners who may benefit financially by renting out their entire home for an extended time period while they are away from the premises; and
- ◆ Travelers who are not willing to stay at higher-priced hotels.

This filing, in part:

- Introduces revisions that reinforce the longstanding scope of coverage under the ISO Homeowners Policy Program as it relates to the role of primarily covering the named insured and, in general, other residents of their household; and
- Makes available optional broadened coverages for home-sharing activities by an insured.

2. Unmanned Aircraft (Drones)

The personal use of unmanned aircraft (commonly referred to as "drones") brings about new risks and potential exposures that, at the time the ISO Homeowners Policy Program was developed, were not necessarily contemplated under the program. Examples include reports of "close calls" of drones colliding with commercial aircraft and invasion of privacy concerns.

This filing introduces endorsements to provide additional options for insureds to better reflect their individual exposures and to provide insurers with additional tools for underwriting.

Related Filing(s)

The following companion filings will be implemented concurrently with this filing:

- Rules Filing HO-2016-RDHRU, Introduction of Homeowners Home-sharing & Unmanned Aircraft Manual Rules and Rating Provisions
- Loss Cost Filing HO-2016-RDHLC, Introduction of Loss Costs For Damage To Property of Others - Increased Limits

Attachments

The new endorsements being introduced in this filing will carry an edition date of **02 17**.

If any modifications to existing endorsements apply in this filing, such modifications will be displayed with a standard format of ~~striking through~~ deletions, underlining additions, and inserting a revision bar in the left margin to indicate changes from the previous editions. Such modified endorsements will also carry the edition date for any new endorsements as referenced above.

Lastly, wherever policy language is shown in the explanatory material, the revisions are displayed with a standard format of ~~striking through~~ deletions and underlining editions.

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Part I – Endorsement Changes

We are introducing various endorsements to the Homeowners Policy Program. In this part all policy language changes displayed are to the **HO 00 03** policy form, unless otherwise specified.

Form Number	New/Revised/ Withdrawn Form	Title of Form
HO 04 14 02 17	Revised	Special Computer Coverage*
HO 04 30 02 17	Revised	Theft Coverage Increase
HO 04 58 02 17	Revised	Other Members Of Your Household
HO 04 91 02 17	Revised	Coverage B - Other Structures Away From The Residence Premises
HO 04 92 02 17	Revised	Specific Structures Away From The Residence Premises
HO 05 41 02 17	Revised	Extended Theft Coverage For Residence Premises Occasionally Rented To Others
HO 06 15 02 17	Revised	Trust Endorsement*
HO 06 51 02 17	New	Damage To Property Of Others - Increased Limits
HO 06 52 02 17	New	Home-sharing Host Activities Amendatory Endorsement *
HO 06 53 02 17	New	Home-sharing Host Activities Amendatory Endorsement *
HO 06 54 02 17	New	Home-sharing Host Activities Amendatory Endorsement *
HO 06 55 02 17	New	Home-sharing Host Activities Amendatory Endorsement *
HO 06 56 02 17	New	Home-sharing Host Activities Amendatory Endorsement *
HO 06 58 02 17	New	Home-sharing Host Activities Amendatory Endorsement *
HO 06 62 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement *

HO 06 63 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement *
HO 06 64 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement *
HO 06 65 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement *
HO 06 66 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement *
HO 06 68 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement *
HO 17 32 02 17	Revised	Unit-Owners Coverage A Special Coverage*
HO 17 33 02 17	Revised	Unit-Owners Rented To Others
HO 24 73 02 17	Revised	Farmers Personal Liability*
HO 34 02 02 17	New	Aircraft Liability Definition Revised To Remove Exception For Model Or Hobby Aircraft
HO 34 03 02 17	New	Personal Injury For Aircraft Liability Excluded *

*Not for use in North Carolina

Change No. 1 – Home-sharing Host Activities Amendatory Endorsements

Introduction

We are introducing Home-sharing Host Activities Amendatory Endorsements, which will be attached to each applicable underlying ISO Homeowners policy and will amend certain property and liability coverage provisions under the policy to more specifically address home-sharing exposures.

Background

The ISO Homeowners Policy Program provides coverage for owner-occupied dwellings, as well as tenants and condominium unit owners, but also includes many long-standing provisions which address certain incidental rental activities and non-owner exposures. For example, the ISO base Homeowners policies currently contain certain incidental coverage provisions with respect to:

- Property of roomers, boarders, tenants and guests; and
- Business exposures including, but not limited to, policyholders who engage in rental activities on an occasional basis.

Home-sharing and related exposures have managed to evolve and grow exponentially faster than corresponding laws or current insurance policy language, which was not drafted in contemplation of this exposure. As a result of this growth, application of existing Homeowners policy provisions in relation to home-sharing activities have the potential to result in claims difficulties. In addition, the ISO Homeowners Policy Program currently does not contain provisions which specifically address home-sharing, facilitate underwriting and/or rating for this growing trend, or provide coverage for the home-sharing activities of an insured who is involved in more frequent rentals of their dwelling for monetary compensation. Such activity may be considered a business exposure and thus can fundamentally alter the risk assumed under the policy.

Explanation of Changes

The Home-sharing Host Activities Amendatory Endorsements amend certain property and liability coverage provisions under each ISO Homeowners Policy with respect to home-sharing exposures not historically contemplated nor rated under the policy.

These revisions will:

- Address select provisions applicable to home-sharing exposures within existing traditional Homeowners coverages;
- Preserve existing traditional Homeowners incidental rental and non-owner exposures; and
- Provide consistency and certainty in claims settlement.

Below is a general description of some of the revisions provided under the endorsements:

Definitions

The new endorsements introduce the following new definitions to reinforce that the home-sharing exposure is treated separately for coverage and rating purposes under the ISO Homeowners Policy Program:

- Home-sharing host activities;
- Home-sharing network platform; and
- Home-sharing occupant.

Since home-sharing host activities have often been characterized as a business exposure, the existing definition of "business" has also been revised to introduce a specific reference to home-sharing host activities within the definition. As a result of this change, other additional coverage provisions referring to a "business" as defined will now specifically include reference to home-sharing host activities within its scope.

Lastly, the new endorsements also reinforce that the longstanding provisions and traditional areas of coverage for roomers, boarders, tenants and guests remain unchanged, by stating that these terms do not include a home-sharing occupant as defined.

Property Coverages

When the Home-sharing Host Activities Amendatory Endorsements are attached to the policy, certain property coverage provisions addressing the following types of property have been amended to reinforce that coverage for home-sharing activities is not currently contemplated nor rated under the ISO Homeowners Policy Program:

- Personal property of home-sharing occupants;
- Personal property of any other person occupying the residence premises as a result of any home-sharing host activities;
- Personal property in a space while rented or primarily held for rental to a home-sharing occupant;
- Personal property used primarily for home-sharing host activities;

- Fair rental value arising out of or in connection with home-sharing host activities; and
- Losses due to theft, vandalism or malicious mischief resulting from home-sharing host activities.

However, it should be noted that coverage for other perils, such as fire, lightning, and windstorm, is not revised by the provisions of the new endorsement.

Liability Coverages

Similarly, when the Home-sharing Host Activities Amendatory Endorsements are attached to the policy, the following liability coverage provisions are amended to reinforce that coverage for home-sharing host activities is not contemplated nor rated under the ISO Homeowners Policy Program:

- Engaging in the business of renting or holding for rental of an insured location for home-sharing host activities; and
- Personal injury coverage arising out of home-sharing host activities.

Impact

These new endorsements, to be attached to all ISO Homeowners policies, reinforce certain longstanding property and liability coverage provisions under such policies to more specifically convey that the policies within the ISO Homeowners Program were not developed nor rated to provide coverage for the home-sharing activities of an insured who is involved in more frequent rentals of their dwelling for monetary compensation. Such activity may be considered a business exposure and thus can fundamentally alter the risk assumed under the policy.

Upon the reinforcement of certain provisions as described above, and depending on the current underwriting and claims procedures of an individual insurer with respect to the home-sharing activities of their policyholders, these new endorsements may result in a minor reduction of coverage when the loss arises out of or results from home-sharing host activities.

New Forms

- **HO 06 52**, Home-sharing Host Activities Amendatory Endorsement (For Use With HO 00 02)
- **HO 06 53**, Home-sharing Host Activities Amendatory Endorsement (For Use With HO 00 03)
- **HO 06 54**, Home-sharing Host Activities Amendatory Endorsement (For Use With HO 00 04)

- **HO 06 55**, Home-sharing Host Activities Amendatory Endorsement
(For Use With HO 00 05)
- **HO 06 56**, Home-sharing Host Activities Amendatory Endorsement
(For Use With HO 00 06)
- **HO 06 58**, Home-sharing Host Activities Amendatory Endorsement
(For Use With HO 00 08)

Change No. 2– Broadened Home-sharing Host Activities Coverage Endorsements

Introduction

We are introducing Broadened Home-sharing Host Activities Coverage Endorsements, which can be used with each underlying ISO Homeowners policy to provide coverages for hosts following loss or damage to the insured's residence premises and personal property, as well as liability to others, with respect to certain policy provisions.

Background

Change No. 1 of this filing amends certain property and liability coverage provisions under the ISO Homeowners Policy Program with respect to home-sharing host exposures not historically contemplated nor rated under the policy. Those revisions, in part:

- Address select provisions applicable to home-sharing exposures within existing traditional Homeowners coverages; and
- Preserve existing traditional Homeowners incidental rental and non-owner exposures.

In conjunction with those changes, we are introducing Broadened Home-sharing Host Activities Coverage Endorsements, which can be made available to policyholders who participate in home-sharing host activities.

Explanation of Changes

Below is a general description of some of the revisions provided by the new endorsements:

Definitions

The new endorsements contain identical revisions to certain definitions under the ISO Homeowners policies as those being introduced in Change No. 1 of this filing. Specifically:

- New definitions are introduced for home-sharing host activities, home-sharing network platform, and home-sharing occupants;
- The definition of "business" is amended to introduce a specific reference to home-sharing host activities; and
- Reinforcement of the longstanding provisions and traditional areas of coverage for roomers, boarders, tenants and guests is included.

Property Coverages

When the Broadened Home-sharing Host Activities Endorsements are attached to the applicable policy, certain property coverage provisions are amended to make coverage available with respect to the following types of property losses resulting from home-sharing host activities:

- Other structures rented or held for rental to home-sharing occupants; and
- Landlord's Furnishings.

In addition, coverage is broadened with respect to:

- Lost rental value due to cancellation of a home-sharing contract or agreement resulting from certain specified conditions; and
- Losses due to theft from that part of a residence premises rented by an insured to a home-sharing occupant, with certain exceptions.

The endorsements also specify that:

- Coverage **C** Personal Property does not apply with respect to property of a home-sharing occupant, in order to prevent duplication of such coverage being provided under the Home Sharing Host Activities Damage To Property of Others provision in the endorsement; and
- Any Section I - Property Coverage provided under the policy is primary over any amounts due under any other insurance, service agreement, protection plan or guarantee provided by, on behalf of or through a home-sharing network platform, even if it is characterized as other insurance. As other sources of recovery available from home-sharing providers appear to vary in application (i.e., whether provided as primary or excess) and scope, this approach will provide consistency and certainty as to the level of coverage available.

Liability Coverages

Similarly, when the Broadened Home-sharing Host Activities Coverage Endorsements are attached to the applicable policy, coverage with respect to the following types of liability losses resulting from home-sharing host activities is amended:

- The rental or holding for rental of an insured location for home-sharing host activities; and
- Personal injury coverage arising out of home-sharing host activities.

In addition, a Home-sharing Host Activities Damage To Property Of Others provision has been included. This provision will allow increased limits to be

purchased for damage to property of others caused by an insured and arising out of home-sharing host activities. However, if no increased limits are selected, a \$1,000 limit per occurrence will apply.

Similar to the property coverage provisions of the endorsements, the liability provisions of the endorsements also specify that liability coverage provided under the policy is primary with respect to any amounts due under any other insurance, protection plan, or guarantee provided by, on behalf of or through a home-sharing network platform covering home-sharing host activities, even if it is characterized as other insurance.

Conditions

A Home-sharing Host Activities Verification Requirements condition has been included, which enables an insurer to inquire about the general frequency of home-sharing host activities of an insured, in order to adequately underwrite and rate the additional exposure under the policy when the endorsement is provided.

Impact

These new optional endorsements broaden coverage for certain home-sharing activities as described above.

New Forms

- **HO 06 62**, Broadened Home-sharing Host Activities Coverage Endorsement (For Use With HO 00 02)
- **HO 06 63**, Broadened Home-sharing Host Activities Coverage Endorsement (For Use With HO 00 03)
- **HO 06 64**, Broadened Home-sharing Host Activities Coverage Endorsement (For Use With HO 00 04)
- **HO 06 65**, Broadened Home-sharing Host Activities Coverage Endorsement (For Use With HO 00 05)
- **HO 06 66**, Broadened Home-sharing Host Activities Coverage Endorsement (For Use With HO 00 06)
- **HO 06 68**, Broadened Home-sharing Host Activities Coverage Endorsement (For Use With HO 00 08)

Change No. 3 – Damage To Property Of Others - Increased Limits Endorsement

Introduction

We are introducing endorsement **HO 06 51**, Damage To Property Of Others - Increased Limits.

Background

The ISO Homeowners Policy Program contains, under Section II - Additional Coverages, Damage To Property of Others. This additional coverage pays, at replacement cost, up to \$1,000 per occurrence for damage to property of others caused by an insured, with certain exceptions.

Agents have stated that the \$1,000 limit for this coverage may be inadequate in certain situations, such as when an insured inadvertently causes damage to a hotel room or other venue, or to borrowed personal property.

In addition, insureds who use the services of a home-sharing network as a traveler may wish to purchase an increased level of coverage for property damage to others for use when staying in a private home.

Explanation of Changes

HO 06 51 amends Section II - Additional Coverages, Damage To Property of Others, to provide for a limit greater than \$1,000 for the coverage. The provisions of the new endorsement are largely consistent with the base coverage located in the Homeowners policies, with the exception of provisions to allow the selection of increased limits for the coverage.

Impact

This optional endorsement enables the selection of limits greater than \$1,000 per occurrence under Section II - Additional Coverages, Damage To Property Of Others.

New Form

HO 06 51, Damage To Property Of Others - Increased Limits

Change No. 4 - Other Home-sharing Endorsement Revisions

Introduction

We are revising several endorsements in response to the introduction of the:

- Home-sharing Host Activities Amendatory Endorsements; and
- Broadened Home-sharing Host Activities Coverage Endorsements.

Background

Change No. 1 of this filing introduces Home-sharing Host Activities Amendatory Endorsements, which amend certain property and liability coverage provisions under the ISO Homeowners Policy Program with respect to home-sharing exposures not historically contemplated nor rated under the policy. Those revisions, in part:

- Address select provisions applicable to home-sharing exposures within existing traditional Homeowners coverages; and
- Preserve existing traditional Homeowners incidental rental and non-owner exposures.

Change No. 2 of this filing introduces Broadened Home-sharing Host Activities Coverage Endorsements, which can be made available to policyholders who participate in home-sharing host activities.

Explanation of Changes

We are revising several endorsements in the Homeowners Policy Program in response to the introduction of the:

- Home-sharing Host Activities Amendatory Endorsements; and
- Broadened Home-sharing Host Activities Coverage Endorsements.

These revisions provide guidance on the applicability of such optional endorsements in relation to the introduction of the new home-sharing endorsements contained in Change Nos. 1 and 2 of this filing.

We are also taking this opportunity to editorially revise the Schedule of **HO 24 73**, Farmers Personal Liability, to more explicitly describe the intended rating methodology for part-time farm employees working 40 days or fewer per year.

Revised Form(s)

- **HO 04 14**, Special Computer Coverage

- **HO 04 30**, Theft Coverage Increase
- **HO 04 58**, Other Members Of Your Household
- **HO 04 91**, Coverage B - Other Structures Away From The Residence Premises
- **HO 04 92**, Specific Structures Away From The Residence Premises
- **HO 05 41**, Extended Theft Coverage For Residence Premises Occasionally Rented To Others
- **HO 06 15**, Trust Endorsement
- **HO 17 32**, Unit-Owners Coverage A Special Coverage
- **HO 17 33**, Unit-Owners Rental To Others
- **HO 24 73**, Farmers Personal Liability

Change No. 5 - Coverage Options For Unmanned Aircraft, Including Model Or Hobby Aircraft Endorsements Introduced

Introduction

We are introducing two optional endorsements addressing liability exposures related to unmanned aircraft, whether or not model or hobby, under the ISO Homeowners Program.

Background

The FAA Modernization and Reform Act of 2012 (Act), in Section 331, defines an "unmanned aircraft" (UA) as "an aircraft that is operated without a possibility of direct human intervention from within or on the aircraft."

Section 336 implements special rules for "model aircraft." It defines "model aircraft" as unmanned aircraft that is: capable of sustained flight in the atmosphere, flown within visual line of sight of the person operating the aircraft and flown for hobby or recreational purposes. The provisions of this section concern aircraft, in part, limited to not more than 55 pounds, unless otherwise certified by program administered by a community-based organization, and aircraft operated in a manner that does not interfere with any manned aircraft.

The personal use of unmanned aircraft (commonly referred to as "drones") brings about new risks and potential exposures that, at the time the ISO Homeowners Program was developed, were not necessarily contemplated under the program. Examples include reports of "close calls", concerns of drones colliding with commercial aircraft and invasion of privacy concerns. According to the FAA, pilot reports of unmanned aircraft sightings have dramatically increased over the course of just one year. In 2014, the FAA reported a total of 238 sightings compared to more than 650 in 2015. And, there have been several reports by the FAA of drones flying in altitudes of up to 10,000 feet. In addition, the FAA reports that in the western part of the United States, firefighters have been forced to stop their operations for safety reasons as a result of the spotting of one or more unmanned aircrafts in their vicinity.

Currently, Section II of the ISO Homeowners base policy forms includes an exclusion for "aircraft liability." For purposes of the term "aircraft liability," the policy generally provides that aircraft "means any contrivance used or designed for flight *except model or hobby aircraft not used or designed to carry people or cargo.*" (Emphasis supplied.)

ISO's optional endorsements **HO 24 82**, Personal Injury Coverage and **HO 24 10**, Personal Injury Coverage (Aggregate Limit of Liability), in part, provide coverage for:

- The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's good products or services; and
- Oral or written publication, in any manner, of material that violates a person's right of privacy.

HO 24 82 and **HO 24 10** currently do not include an "aircraft liability" exclusion.

Currently, under the ISO Homeowners program, there are no coverage options available for those insureds who choose not to own or operate a drone.

Explanation of Changes

In order to provide additional options for insureds to better reflect their individual exposures, and to provide insurers with additional tools for underwriting, we are introducing the following optional endorsements under the ISO Homeowners Program:

- ◆ **HO 34 02** - Aircraft Liability Definition Revised To Remove Exception For Model And Hobby Aircraft

This optional endorsement revises the definition of "aircraft liability" to state, in part, that "for the purpose of this definition aircraft means any contrivance used or designed for flight ***including unmanned aircraft, whether or not model or hobby.***" This option excludes liability for "bodily injury" or "property damage" with respect to unmanned aircraft and may be used with the base coverage forms in the ISO Homeowners program.

- ◆ **HO 34 03** - Personal Injury For Aircraft Liability Excluded

This optional endorsement excludes "aircraft liability" from personal injury coverage under Section II – Liability in endorsements **HO 24 82** – Personal Injury Coverage and **HO 24 10** – Personal Injury Coverage (Aggregate Limit Of Liability). For the purposes of this "aircraft liability" exclusion, aircraft means any contrivance used or designed for flight ***including unmanned aircraft, whether or not model or hobby.***"

Impact

With respect to new optional endorsements **HO 34 02** and **HO 34 03**, this change is a reduction in coverage.

New Forms

- ◆ **HO 34 02**, Aircraft Liability Definition Revised To Remove Exception For Model Or Hobby Aircraft
- ◆ **HO 34 03**, Personal Injury For Aircraft Liability Excluded

Part II – Endorsements

This section contains a complete copy of the new and revised endorsements as listed below. All revised forms and endorsements contain a standard format of ~~striking through~~ deletions and underlining new material.

Each form is attached as follows. The previous editions of all *revised* forms are indicated below or otherwise labeled as *new* or *withdrawn*.

Form Number	Previous Edition	Title of Form
HO 04 30 02 17	05 11	Theft Coverage Increase
HO 04 58 02 17	05 11	Other Members Of Your Household
HO 04 91 02 17	05 11	Coverage B - Other Structures Away From The Residence Premises
HO 04 92 02 17	05 11	Specific Structures Away From The Residence Premises
HO 05 41 02 17	10 00	Extended Theft Coverage For Residence Premises Occasionally Rented To Others
HO 06 51 02 17	New	Damage To Property of Others - Increased Limits
HO 06 52 02 17	New	Home-sharing Host Activities Amendatory Endorsement*
HO 06 53 02 17	New	Home-Sharing Host Activities Amendatory Endorsement*
HO 06 54 02 17	New	Home-sharing Host Activities Amendatory Endorsement*
HO 06 55 02 17	New	Home-sharing Host Activities Amendatory Endorsement*
HO 06 56 02 17	New	Home-sharing Host Activities Amendatory Endorsement*
HO 06 58 02 17	New	Home-sharing Host Activities Amendatory Endorsement*

*Not for use in North Carolina.

HO 06 62 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement
HO 06 63 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement
HO 06 64 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement
HO 06 65 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement
HO 06 66 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement
HO 06 68 02 17	New	Broadened Home-sharing Host Activities Coverage Endorsement
HO 17 33 02 17	05 11	Unit-Owners Rental To Others
HO 34 02 02 17	New	Aircraft Liability Definition Revised To Remove Exception For Model Or Hobby Aircraft

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THEFT COVERAGE INCREASE

SCHEDULE

Coverage	Limit Of Liability
A. On The "Residence Premises"	\$
B. Off The "Residence Premises"	\$

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

SECTION I – PROPERTY COVERAGES

COVERAGE C – PERSONAL PROPERTY

3. Special Limits Of Liability

The following additional categories apply to covered property on the "residence premises":

- i. \$1,500 for loss by theft of jewelry, watches, furs, precious and semiprecious stones.
- j. \$2,500 for loss by theft of firearms and related equipment.
- k. \$2,500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.

SECTION I – PERILS INSURED AGAINST

Peril 9. Theft is replaced by the following:

9. Theft

- a. This peril includes attempted theft and loss of property from a known place on the "residence premises" when it is likely that the property has been stolen.

Personal property contained in any bank, trust or safe deposit company, public warehouse or self-storage facility will be considered on the "residence premises".

Our liability in any one loss caused by theft on the "residence premises" will not be more than the limit shown in A. in the Schedule above.

- b. If Limits of Liability are shown in A. and B. in the Schedule, this peril includes loss caused by theft that occurs off the "residence premises". Our liability in any such loss will not be more than the limit shown in B. in the Schedule.

- c. This peril does not include loss caused by theft:

- (1) Committed by an "insured";
- (2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied; or
- (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured"; or

- (4) If such loss arises out of or results from "home-sharing host activities" unless the Broadened Home-sharing Host Activities Coverage Endorsement is made a part of this Policy.

- d. The coverage provided in b. above for loss caused by theft that occurs off the "residence premises" does not include:

- (1) Property while at any other residence owned by, rented to, or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss;

- (2) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or

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(3) Trailers, semitrailers and campers.

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OTHER MEMBERS OF YOUR HOUSEHOLD

SCHEDULE

Name Of Person Covered By This Endorsement

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Agreement

1. We insure the person named in the Schedule above who lives with you and is a member of your household and who is not an "insured", guest, "residence employee", tenant, roomer, ~~or boarder~~ or "home-sharing occupant". We also insure a person under the age of 21 who lives with and is in the legal custody of the person named in the Schedule. Such persons are insured for the coverages described in **B. Section I – Property Coverage** of this endorsement and **Section II – Liability** described in the ~~p~~Policy form.
2. It is agreed that this endorsement is issued in reliance on information you provided concerning the residency of the person described in the Schedule.
3. You agree to notify us in writing within 30 days of a change in the:
 - a. Residency; or
 - b. Status as a household member; of the person described in the Schedule.
4. You will be solely responsible for the payment of any premium pertaining to this endorsement.
5. It is further agreed that you are the representative of the person described in the Schedule and will act in all matters pertaining to the provisions of this endorsement.

B. Section I – Property Coverage

Under Coverage **C**, the first paragraph is replaced by the following:

We cover personal property owned or used by an "insured" or a person described in **A.1.** of this endorsement while it is anywhere in the world. After a loss and at your request, we will cover personal property owned by:

1. Others, not including a person described in **A.1.** of this endorsement, while the property is on the part of the "residence premises" occupied by an "insured"; or
2. A guest or a "residence employee", while the property is in any residence occupied by an "insured".

This coverage does not increase the Coverage **C** limit of liability.

C. General Condition

All other provisions under **Section I** and **Section II** of this ~~p~~Policy that apply to you also apply to the persons described in **A.1.** of this endorsement, except Coverages **A** and **B** and Fair Rental Value under Coverage **D**.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGE B – OTHER STRUCTURES AWAY FROM THE RESIDENCE PREMISES

SECTION I – PROPERTY COVERAGES

B. Coverage B – Other Structures

The following is added to Paragraph 1.:

We also cover other structures which are owned by you and located away from the "residence premises", if used by you in connection with the "residence premises".

If the Broadened Home-sharing Host Activities Coverage Endorsement is not made a part of this Policy, the following is added to Paragraph 2.:

- e. With respect to other structures away from the "residence premises", other structures:
 - (1) Being used as a dwelling;
 - (2) Capable of being used as a dwelling;
 - (3) From which any "business" is conducted;
 - (4) Used to store "business" property; or
 - (5) Rented or held for rental to any person not a tenant of the dwelling.

If the Broadened Home-sharing Host Activities Coverage Endorsement is made a part of this Policy, the following is added to Paragraph 2.:

- e. With respect to other structures away from the "residence premises", other structures:
 - (1) Being used as a dwelling;

- (2) Capable of being used as a dwelling;
- (3) From which any "business" is conducted, except structures used primarily for "home-sharing host activities";
- (4) Used to store "business" property; or
- (5) Rented or held for rental to any person other than a:
 - (a) "Home-sharing occupant"; or
 - (b) Tenant of the dwelling.

Paragraph 3. is replaced by the following:

- 3. The limit of liability for other structures on or away from the "residence premises" will not be more than 10% of the limit of liability that applies to Coverage A. Use of this limit does not reduce the Coverage A limit of liability.

SECTION I – CONDITIONS

D. Loss Settlement

With respect to structures covered under this endorsement, Condition D. **Loss Settlement** is replaced by the following:

Covered losses will be settled at actual cash value at the time of loss, but not more than the amount required to repair or replace.

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIFIC STRUCTURES AWAY FROM THE RESIDENCE PREMISES

SCHEDULE

Description And Location Of Structure	Limit Of Liability
	\$
	\$
	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. We cover each structure described in the Schedule above which is owned by you and located away from the "residence premises", if used by you in connection with the "residence premises". The Limit Of Liability shown in the Schedule for each structure is the most we will pay for loss to each structure.

B. If the Broadened Home-sharing Host Activities Coverage Endorsement is not made a part of this Policy, we do not cover a structure:

1. Being used as a dwelling;
2. Capable of being used as a dwelling;
3. From which any "business" is conducted;
4. Used to store "business" property; or
5. Rented or held for rental to any person not a tenant of the dwelling.

If the Broadened Home-sharing Host Activities Coverage Endorsement is made a part of this Policy, we do not cover a structure:

1. Being used as a dwelling;

2. Capable of being used as a dwelling;

3. From which any "business" is conducted, except structures used primarily for "home-sharing host activities";

4. Used to store "business" property; or

5. Rented or held for rental to any person other than a:

a. "Home-sharing occupant"; or

b. Tenant of the dwelling.

C. This coverage does not apply to land, including land on which the structure is located.

D. With respect to structures covered under this endorsement, Section I – Condition D. **Loss Settlement** is replaced by the following:

Covered losses will be settled at actual cash value at the time of loss, but not more than the amount required to repair or replace.

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXTENDED THEFT COVERAGE FOR RESIDENCE PREMISES OCCASIONALLY RENTED TO OTHERS

This coverage applies while the "residence premises" is rented in whole or in part on an occasional basis to others who are not "home-sharing occupants" if the "residence premises" is used only as a residence. It covers loss by theft of covered property from that part of a "residence premises" occupied by an occasional tenant, roomer or boarder, members of the tenant's household, or their employees.

However, coverage under this endorsement does not apply to:

- a. Money, bank notes, bullion, gold, goldware, gold-plated ware, silver, silverware, silver-plated ware, pewterware, platinum, platinumware, platinum-plated ware, coins, medals, scrip, stored value cards and smart cards;

- b. Securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps regardless of the medium (such as paper or computer software) on which the material exists; or
- c. Jewelry, watches, furs, precious and semi-precious stones.

Under Perils Insured Against **9. Theft**, Paragraph **b.(3)** is ~~deleted and~~ replaced by the following:

- b.(3)** From that part of a "residence premises" regularly rented by an "insured" to someone other than another "insured", roomer or boarder.

All other provisions of this pPolicy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DAMAGE TO PROPERTY OF OTHERS – INCREASED LIMITS

SCHEDULE

Damage To Property Of Others	
Limit Of Liability: \$	Per Occurrence
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

SECTION II – ADDITIONAL COVERAGES

Paragraph **C. Damage To Property Of Others** is replaced by the following:

C. Damage To Property Of Others

1. We will pay, at replacement cost, up to the Limit Of Liability shown in the Schedule, per "occurrence" for "property damage" to property of others caused by an "insured".
2. We will not pay for "property damage":
 - a. To the extent of any amount recoverable under Section I;
 - b. Caused intentionally by an "insured" who is 13 years of age or older;
 - c. To property owned by an "insured";
 - d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
 - e. Arising out of:
 - (1) A "business" engaged in by an "insured";

- (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or

- (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This Exclusion **e.(3)** does not apply to a "motor vehicle" that:

- (a) Is designed for recreational use off public roads;
- (b) Is not owned by an "insured"; and
- (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNIT-OWNERS RENTAL TO OTHERS

Coverage provided by this pPolicy is extended to apply while the "residence premises" is regularly rented or held for rental to others.

SECTION I – PROPERTY COVERAGES

B. Coverage C – Personal Property

4. Property Not Covered

Paragraph g. is replaced by the following:

- g. Property in an apartment, other than the "residence premises", regularly rented or held for rental to others by an "insured";

SECTION I – PERILS INSURED AGAINST

Under Peril 9. **Theft**, Paragraph b.(3) is deleted.

SECTION I – EXCLUSIONS

The following exclusion is added:

Theft

Theft, from the "residence premises" of:

- a. Money, bank notes, bullion, gold, goldware, gold-plated ware, silver, silverware, silver-plated ware, pewterware, platinum, platinumware, platinum-plated ware, coins, medals, scrip, stored value cards and smart cards;
- b. Securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps regardless of the medium (such as paper or computer software) on which the material exists; or

- c. Jewelry, watches, furs, precious and semiprecious stones.

SECTION II – EXCLUSIONS

Exclusion E.2. "**Business**" is replaced by the following:

2. "**Business**"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion E.2. applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion E.2. does not apply to the rental or holding for rental of the "residence premises" for other than "home-sharing host activities".

All other provisions of this pPolicy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AIRCRAFT LIABILITY DEFINITION REVISED TO REMOVE EXCEPTION FOR MODEL OR HOBBY AIRCRAFT

DEFINITIONS

Definition **B.1.** is replaced by the following:

B. In addition, certain words and phrases are defined as follows:

1. "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:

a. Liability for "bodily injury" or "property damage" arising out of the:

- (1)** Ownership of such vehicle or craft by an "insured";
- (2)** Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
- (3)** Entrustment of such vehicle or craft by an "insured" to any person;
- (4)** Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or

(5) Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.

b. For the purpose of this definition:

(1) Aircraft means any contrivance used or designed for flight including but not limited to unmanned aircraft, whether or not model or hobby;

(2) Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;

(3) Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and

(4) Motor vehicle means a "motor vehicle" as defined in **7.** below.

All other provisions of this Policy apply.

North Carolina Forms Supplement

About This Supplement

This supplement addresses the North Carolina-specific material related to Home-sharing & Unmanned Aircraft described in Forms Filing HO-2016-ODHFR.

Revised Forms

We are revising the following forms with regard to Home-sharing changes:

- ◆ **HO 32 12 06 12** – Trust Endorsement – North Carolina
- ◆ **HO 32 21 06 12** – Rented Personal Property – North Carolina
- ◆ **HO 32 32 06 12** – Special Provisions – North Carolina
- ◆ **HO 32 34 06 12** – Unit-Owners Coverage A Special Coverage – North Carolina
- ◆ **HO 32 37 06 12** – Special Computer Coverage – North Carolina

We have used a format of ~~striking-through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes from the above-referenced edition to the **02 17** edition. Concurrent with implementation, the **02 17** edition will supersede the prior edition.

New Form

We are introducing the following form with regard to changes related to Home Sharing:

- ◆ **HO 32 43 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina (Mandatory for use with HO 00 02)
- ◆ **HO 32 44 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina (Mandatory for use with HO 00 03)
- ◆ **HO 32 45 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina (Mandatory for use with HO 00 04)
- ◆ **HO 32 48 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina (Mandatory for use with HO 00 05)
- ◆ **HO 32 49 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina (Mandatory for use with HO 00 06)
- ◆ **HO 32 51 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina (Mandatory for use with HO 00 08)

- ◆ **HO 32 52 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement– North Carolina (Optional for use with HO 00 02)
- ◆ **HO 32 53 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement– North Carolina (Optional for use with HO 00 03)
- ◆ **HO 32 58 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement – North Carolina (Optional for use with HO 00 04)
- ◆ **HO 32 59 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement – North Carolina (Optional for use with HO 00 05)
- ◆ **HO 32 60 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement– North Carolina (Optional for use with HO 00 06)
- ◆ **HO 32 61 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement – North Carolina (Optional for use with HO 00 08)

We are introducing the following form with regard to Unmanned Aircraft changes:

- ◆ **HO 34 14 01 19** - Personal Injury For Aircraft Liability Excluded –North Carolina

Forms Not Applicable in North Carolina

The following forms being revised as part of this filing will not apply in North Carolina:

- ◆ **HO 06 52 01 19** - Home-sharing Host Activities Amendatory Endorsement
- ◆ **HO 06 53 01 19** - Home-sharing Host Activities Amendatory Endorsement
- ◆ **HO 06 54 01 19** - Home-sharing Host Activities Amendatory Endorsement
- ◆ **HO 06 55 01 19** - Home-sharing Host Activities Amendatory Endorsement
- ◆ **HO 06 56 01 19** - Home-sharing Host Activities Amendatory Endorsement
- ◆ **HO 06 58 01 19** - Home-sharing Host Activities Amendatory Endorsement
- ◆ **HO 06 62 01 19** - Broadened Home-sharing Host Activities Coverage Endorsement
- ◆ **HO 06 63 01 19** - Broadened Home-sharing Host Activities Coverage Endorsement
- ◆ **HO 06 64 01 19** - Broadened Home-sharing Host Activities Coverage Endorsement
- ◆ **HO 06 65 01 19** - Broadened Home-sharing Host Activities Coverage Endorsement
- ◆ **HO 06 66 01 19** - Broadened Home-sharing Host Activities Coverage Endorsement

- ◆ **HO 06 68 01 19** - Broadened Home-sharing Host Activities Coverage Endorsement
- ◆ **HO 04 14 01 19** – Special Computer Coverage
- ◆ **HO 06 15 01 19** – Trust Endorsement
- ◆ **HO 17 32 01 19** – Unit-Owners Coverage A Special Coverage
- ◆ **HO 24 73 01 19** – Farmers Personal Liability
- ◆ **HO 34 03 01 19** – Personal Injury For Aircraft Liability Excluded

Any references to these forms in filing HO-2016-ODHFR should be *disregarded* for the purpose of this State.

Background

In HO-2016-ODHFR, several endorsements related to Home-sharing and Unmanned Aircraft coverage options to the Homeowners Policy Program are being introduced and revised

We are now applying any applicable revisions contained in filing HO-2016-ODHFR to the North Carolina-specific endorsements listed below. We have retained any current state-specific coverage exceptions contained in the individual state endorsements unless otherwise explained in this supplement.

North Carolina-specific versions of both the Home-sharing Host Activities Amendatory Endorsements and the Broadened Home-sharing Host Activities Coverage Endorsements were developed to remove the ISO multistate definition of "business." The North Carolina state-specific definition of "business," which is located in the Special Provisions Endorsement was updated to include "Home-sharing Host Activities."

Additionally, insurers have cited instances within the industry of increased litigation and inflated claims settlements in North Carolina resulting from policyholders' assigning claims benefits to third party vendors and contractors following a loss without the knowledge or consent of the insurer. To address this issue, we have made revisions to both the Assignment Condition and the Reasonable Repairs Additional Coverage.

Explanation of Changes

In order to uniformly reflect the revisions made in the portion of this filing, we are revising the following existing endorsement and introducing the following new endorsements to include the appropriate revisions.

Home-sharing

The following endorsements are introduced to reflect Change No. 1 - Home-sharing Host Activities Amendatory Endorsements and Change No 2 - Broadened Home-sharing Host Activities Coverage Endorsements:

- ◆ **HO 32 43 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina
- ◆ **HO 32 44 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina
- ◆ **HO 32 45 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina
- ◆ **HO 32 48 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina
- ◆ **HO 32 49 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina
- ◆ **HO 32 51 01 19** – Home-sharing Host Activities Amendatory Endorsement – North Carolina
- ◆ **HO 32 52 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement – North Carolina
- ◆ **HO 32 53 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement– North Carolina
- ◆ **HO 32 58 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement – North Carolina
- ◆ **HO 32 59 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement – North Carolina
- ◆ **HO 32 60 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement– North Carolina
- ◆ **HO 32 61 01 19** – Broadened Home-sharing Host Activities Coverage Endorsement– North Carolina

The following endorsements are revised in order to reflect Change No. 1 – Home-sharing Host Activities Amendatory Endorsements and Change No. 2 – Broadened Home-sharing Host Activities Coverage Endorsements.

◆ **HO 32 32 01 19** – Special Provisions – North Carolina

◆ **HO 32 21 01 19** – Rented Personal Property – North Carolina

The following endorsements are revised in order to reflect Change No. 4 – Other Home-sharing Endorsement Revisions.

◆ **HO 32 12 01 19** – Trust Endorsement – North Carolina

◆ **HO 32 37 01 19** – Special Computer Coverage – North Carolina

◆ **HO 32 34 01 19** – Unit-Owners Coverage A Special Coverage – North Carolina

In addition, we have made minor editorial revisions to these endorsements.

Unmanned Aircraft

HO 34 14 01 19 - Personal Injury For Aircraft Liability Excluded – North Carolina is introduced in order to reflect Change No. 5 – Coverage Options For Unmanned Aircraft, Including Model Or Hobby Aircraft Endorsements.

Assignment of Benefits

HO 32 32 01 19 – Special Provisions – North Carolina

is revised in order to reflect changes made to the Assignment Condition and the Reasonable Repairs Additional Coverage.

- Assignment Condition is revised to allow post-loss assignment of benefits without an insurer's written consent once the damage is inspected by an adjuster authorized by the insurer and the insured has complied with all duties listed in Section I, Conditions, C - Duties After Loss. As a result, insurers will likely have sufficient time to determine if a loss has occurred and to receive preliminary post-loss reports from their adjuster before the benefits of the policy could be assigned to a third party
- Reasonable Repairs Additional Coverage is revised to limit the amount an insured, and any third party they may retain to handle the loss, may spend on repairs for the first 72 hours following notification of a loss. The revised provision also provides that when repairs are made, whether by the insured or a third party acting on their behalf, the insurer will have the right to inspect the repairs performed, as well as the damaged and undamaged materials removed, to determine if the repairs were truly reasonable and necessary.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRUST ENDORSEMENT – NORTH CAROLINA

SCHEDULE

1. Trust Name	Trust Address
Insured(s)	
2. Trustee Name(s)	Trustee Address(es)
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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The following provisions apply with respect to the Trust and Trustee(s) named in Items 1. and 2. in the Schedule of this endorsement:

DEFINITIONS

A. The following is added to Definition 5. "Insured":

5. "Insured" means:

d. The Trustee(s) named in Item 2. in the Schedule as an Insured but only for the following coverages:

- (1) Coverage A – Dwelling and Coverage B – Other Structures; and

(2) Coverage E – Personal Liability and Coverage F – Medical Payments To Others, but only with respect to "bodily injury" or "property damage" arising out of the ownership, maintenance or use of an "insured location" as defined under Definitions, Paragraph B.6.a. of this endorsement.

However, this Paragraph A.5.d. applies only with respect to the Trustee's duties as a Trustee of the Trust named in Item 1. in the Schedule.

B. The following definitions are replaced:

3. "Business" includes:

- a. "Home-sharing host activities; and
- b. ~~a~~Any full- or part-time activity of any kind engaged in for economic gain, including the use of any part of any premises for such purposes, except activities performed as a Trustee in connection with administering the Trust named in Item 1. in the Schedule of this endorsement.

6. "Insured location" means:

a. The following real property but only if legal title to such property is held in trust with respect to the Trust named in Item 1. in the Schedule:

- (1) The "residence premises";
- (2) The part of other premises, other structures and grounds used by you as a residence; and
 - (a) Which is shown in the Declarations; or
 - (b) Which is acquired during the pPolicy period for your use as a residence;
- (3) Any premises used by you in connection with a premises described in (1) and (2) above;
- (4) Vacant land, other than farm land;
- (5) Land on which a one-, two-, three- or four-family dwelling is being built as a residence for an "insured"; and
- (6) Individual or family cemetery plots or burial vaults of an "insured";

b. Any part of a premises:

- (1) Not owned by an "insured"; and
 - (2) Where an "insured" is temporarily residing;
- c. Any part of a premises occasionally rented to an "insured" for other than "business" use;
- d. Vacant land, other than farm land, rented to an "insured"; and
- e. Land rented to an "insured" on which a one-, two-, three- or four-family dwelling is being built as a residence for an "insured".

SECTION II – EXCLUSIONS

Exclusion F.6. is replaced by the following:

F. Coverage E – Personal Liability

Coverage E does not apply to:

- 6. "Bodily injury" to you or an "insured" as defined under Definition 5.a., 5.b. or 5.d.

This exclusion also applies to any claim made or suit brought against that "insured" to:

- a. Repay; or
- b. Share damages with; another person who may be obligated to pay damages because of "bodily injury" to that "insured".

SECTIONS I AND II – CONDITIONS

A. The following is added to the **Cancellation** provision:

If this pPolicy is cancelled, notice will also be mailed to the Trustee(s) named in Item 2. in the Schedule.

B. The following is added to the **Nonrenewal** provision:

If we elect not to renew this pPolicy, notice will also be mailed to the Trustee(s) named in Item 2. in the Schedule.

The following provisions are added:

Trust Documents

We must be provided, as often as we reasonably request, with copies of the trust documents for the Trust named in Item 1. in the Schedule.

Changes And Notification Requirements

We must be notified promptly of any of the following changes related to the Trust named in Item 1. in the Schedule that occur during the pPolicy period:

A. Changes in:

- 1. The name and address of the Trust;
- 2. The Trustee(s) of the Trust, including the addition or removal of a trustee; or
- 3. The mailing address of any trustee of the Trust.

B. Termination of the Trust.

C. Death or disability of a trustee.

D. The grantor (or settlor) of the Trust discontinues residing at the "residence premises".

Personal Injury Coverage

If the Personal Injury endorsement is attached to this pPolicy, Exclusion 1.i. is replaced by the following:

This insurance does not apply to:

- 1. "Personal injury":
 - i. To you or an "insured" as defined under Definition 5.a., 5.b. or 5.d.

This exclusion also applies to any claim made or suit brought against that "insured" to:

- (1) Repay; or

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(2) Share damages with;
another person who may be obligated to
pay damages because of "personal injury"
to that "insured".

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RENTED PERSONAL PROPERTY – NORTH CAROLINA

SCHEDULE

Increase In Limit Of Liability	Total Limit Of Liability	Check If Theft Coverage Applies	Description Of Rented Unit
\$	\$	<input type="checkbox"/>	
\$	\$	<input type="checkbox"/>	
\$	\$	<input type="checkbox"/>	

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Subject to the Coverage C limit of liability that applies at the time of loss, Section I Additional Coverage E.10. Landlord's Furnishings is extended as shown in the Schedule above.

When Theft Coverage is checked off in the box above, the peril of Theft is added, but only applies when it is probable that the property has been stolen from a known location within a building on the "residence premises" and there is also visible evidence of forcible entry to or forcible exit from that building. This peril does not include loss caused by theft:

1. Committed by an "insured" or renter; or
2. Committed by an "home-sharing occupant" if the Broadened Home-sharing Host Activities Coverage Endorsement is not made a part of this policy; or

23. In or to a dwelling under construction, or of materials or supplies for use in the construction until the dwelling is finished and occupied.

All other provisions of this policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – NORTH CAROLINA

DEFINITIONS

Definition **B.3.** is replaced by the following:

~~3. "Business" includes any full- or part-time activity of any kind engaged in for economic gain, including the use of any part of any premises for such purposes.~~

3. "Business" includes:

a. any Any full- or part-time activity of any kind engaged in for economic gain, including the use of any part of any premises for such purposes; and

b. "Home-sharing host activities".

The following definition is added to Paragraph **B.** in all forms:

12. "Fungi"

- a. "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- b. Under Section II, this does not include any fungi that are, are on, or are contained in any good or product intended for consumption.

SECTION I – PROPERTY COVERAGES

C. Coverage C – Personal Property

3. Special Limits Of Liability

Paragraphs **f.** and **g.** are deleted in all forms except **HO 00 08**, and deleted in Endorsements **HO 32 95** and **HO 32 35** when made part of Forms **HO 00 04** and **HO 00 06**, respectively. Paragraphs **f.** and **g.** in those forms are replaced by the following:

- f. 10% of the Coverage **C** limit, subject to a maximum of \$10,000, for loss by theft* of firearms and related equipment.
- g. 25% of the Coverage **C** limit, subject to a maximum of \$10,000, for loss by theft* of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.

*In Form **HO 00 05** and Endorsements **HO 32 95** and **HO 32 35**, theft includes misplacing or losing.

4. Property Not Covered

Paragraph **c.(2)(a)** is replaced by the following:

- (a) Used to service an "insured's" residence; or

E. Additional Coverages

In all forms except **HO 00 06** and **HO 00 08**:

Paragraph **1. Debris Removal** is replaced by the following:

1. Debris Removal

- a. We will pay your reasonable expense for the removal of:
 - (1) Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
 - (2) Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit of liability is available for debris removal expense.

- b. We will also pay your reasonable expense, up to \$500, for the removal from the "residence premises" of:
 - (1) Your trees felled by the peril of Windstorm or Hail, or Weight of Ice, Snow or Sleet; or
 - (2) A neighbor's trees felled by a Peril Insured Against under Coverage **C**;
 provided the trees:
 - (3) Damage a covered structure; or
 - (4) Do not damage a covered structure, but:
 - (a) Block a driveway on the "residence premises" which prevents a "motor vehicle", that is registered for use on public roads or property, from entering or leaving the "residence premises"; or

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- (b) Block a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling building.

The \$500 limit is the most we will pay in any one loss, regardless of the number of fallen trees.

This coverage is additional insurance.

In Form **HO 00 06:**

Paragraph 1. **Debris Removal** is replaced by the following:

1. Debris Removal

- a. We will pay your reasonable expense for the removal of:
 - (1) Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
 - (2) Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit of liability is available for debris removal expense.

- b. We will also pay your reasonable expense, up to \$500, for the removal from the "residence premises" of:
 - (1) Trees you solely own felled by the peril of Windstorm or Hail; or Weight of Ice, Snow or Sleet; or
 - (2) A neighbor's trees felled by a Peril Insured Against under Coverage C;

provided the trees damage a covered structure. The \$500 limit is the most we will pay in any one loss, regardless of the number of fallen trees.

This coverage is additional insurance.

In Form **HO 00 08:**

Paragraph 1. **Debris Removal** is replaced by the following:

1. Debris Removal

- a. We will pay your reasonable expense for the removal of:
 - (1) Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or

- (2) Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit of liability is available for debris removal expense.

- b. We will also pay your reasonable expense, up to \$500, for the removal from the "residence premises" of:
 - (1) Your trees felled by the peril of Windstorm or Hail; or
 - (2) A neighbor's trees felled by a Peril Insured Against under Coverage C; provided the trees:
 - (3) Damage a covered structure; or
 - (4) Do not damage a covered structure, but:
 - (a) Block a driveway on the "residence premises" which prevents a "motor vehicle", that is registered for use on public roads or property, from entering or leaving the "residence premises"; or
 - (b) Block a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling building.

The \$500 limit is the most we will pay in any one loss, regardless of the number of fallen trees.

This coverage is additional insurance.

In all forms:

Paragraph 2. Reasonable Repairs is replaced by the following:

2. Reasonable Repairs

- a. We will pay the reasonable cost incurred by you for the necessary measures taken solely to protect covered property that is damaged by a Peril Insured Against from further damage.
- b. If the measures taken involve repair to other damaged property, we will only pay if that property is covered under this Policy and the damage is caused by a Peril Insured Against.
- c. Coverage provided under a. and b. does not:

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(1) Increase the limit of liability that applies to the covered property; or

(2) Relieve you of your duties, in case of a loss to covered property, described in Section I – Conditions, C.4. Duties After Loss; and

is limited to the greater of:

(3) \$3,000; or

(4) 1% of your Coverage A limit of liability;

unless we grant you approval within 72 hours of your request to exceed the limit. In such circumstance we will pay only up to the additional amount for the measures we authorize.

If we fail to respond to you within 72 hours of your request to us and the damage is caused by a Peril Insured Against, you may exceed the amount stated above only up to the cost incurred by you for the reasonable repairs necessary to protect the covered property from further damage.

d. In the event such repairs are undertaken, we have the right to inspect the repairs and the removed property which, to the extent possible, you are required to retain.

10. Landlord's Furnishings

k. Accidental Discharge Or Overflow Of Water Or Steam

Paragraph (2)(d) is replaced by the following in Form HO 00 05:

(d) Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years; or

The following Additional Coverage is added to all forms except HO 00 04:

13. "Fungi", Wet Or Dry Rot, Or Bacteria

a. We will pay up to a total of \$5,000 for:

(1) Direct physical loss to property covered under Section I – Coverage A – Dwelling, Coverage B – Other Structures and Coverage C – Personal Property caused by, resulting from, or consisting of "fungi", wet or dry rot, or bacteria if the direct result of a Peril Insured Against; and

(2) The necessary increase in costs which you incur to maintain your normal standard of living when the "residence premises" is uninhabitable due to a loss caused by, resulting from, or consisting of "fungi", wet or dry rot, or bacteria which is the direct result of a Peril Insured Against.

The coverage provided above is the only coverage under Section I – Coverage A – Dwelling, Coverage B – Other Structures, Coverage C – Personal Property and Coverage D – Loss Of Use for loss caused by, resulting from, or consisting of "fungi", wet or dry rot, or bacteria caused directly or indirectly regardless of any other cause or event contributing concurrently or in any sequence.

b. The amount in a. above is the most we will pay for the cost:

(1) To remove "fungi", wet or dry rot, or bacteria from covered property;

(2) To tear out and replace any part of the building or other covered property as needed to gain access to the "fungi", wet or dry rot, or bacteria; and

(3) Of any testing of air or property to confirm the absence, presence or level of "fungi", wet or dry rot, or bacteria whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of "fungi", wet or dry rot, or bacteria.

c. The coverage provided above applies only when such loss or costs are the result of a Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and protect the property from further damage at or after the time of the occurrence of that Peril Insured Against.

d. If there is covered loss to covered property, not caused, in whole or in part, by "fungi", wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Additional Coverage, except to the extent that "fungi", wet or dry rot, or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Additional Coverage.

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This is additional insurance and is the most we will pay for the total of all loss or costs payable under the Additional Coverage regardless of the number of locations insured or the number of claims made. No deductible applies to this coverage.

(This is Additional Coverage **12.** in Form **HO 00 06** and Additional Coverage **9.** in Form **HO 00 08.**)

SECTION I – PERILS INSURED AGAINST

In Form **HO 00 03:**

A. Coverage A – Dwelling And Coverage B – Other Structures

Paragraph **2.c.(5)** is replaced by the following:

- (5)** Constant or repeated discharge, seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years; or

Paragraph **2.c.(6)(c)** is replaced by the following:

- (c)** Smog, rust or other corrosion;

B. Coverage C – Personal Property

12. Accidental Discharge Or Overflow Of Water Or Steam

Paragraph **b.(4)** is replaced by the following:

- (4)** Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years.

In Form **HO 00 05:**

Paragraph **A.2.d.** is replaced by the following:

- d.** Constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years;

Paragraph **A.2.e.(3)** is replaced by the following:

- (3)** Smog, rust or other corrosion;

In Forms **HO 00 02, HO 00 04** and **HO 00 06:**

12. Accidental Discharge Or Overflow Of Water Or Steam

Paragraph **b.(5)** in Forms **HO 00 02** and **HO 00 06** and Paragraph **b.(4)** in Form **HO 00 04** are replaced by the following:

- (5)** To a building caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years.

SECTION I – EXCLUSIONS

Paragraph **2. Earth Movement** is replaced by the following:

2. Earth Movement

Earth Movement means:

- a.** Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b.** Landslide, mudslide or mudflow;
- c.** Subsidence or sinkhole; or
- d.** Any other earth movement including earth sinking, rising or shifting.

This Exclusion **2.** applies regardless of whether any of the above, in **2.a.** through **2.d.**, is caused by an act of nature, an act of man or is otherwise caused.

However, direct loss by fire, explosion or theft resulting from any of the above, in **2.a.** through **2.d.**, is covered.

(This is Paragraph **A.2.** in Forms **HO 00 03** and **HO 00 05.**)

In all forms except **HO 00 05:**

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

3. Water

This means:

- a.** Flood, including but not limited to flash flood, surface water, waves, including tidal wave and tsunami, seiche, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- b.** Water which:
 - (1)** Backs up through sewers or drains; or
 - (2)** Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- c.** Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- d.** Waterborne material carried or otherwise moved by any of the water referred to in **3.a.** through **3.c.** of this exclusion.

This Exclusion **3.** applies regardless of whether any of the above, in **3.a.** through **3.d.**, is caused by an act of nature, an act of man or is otherwise caused.

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This Exclusion **3.** applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system whether natural, man-made or is otherwise made.

However, direct loss by fire, explosion or theft resulting from any of the above, in **3.a.** through **3.d.**, is covered.

(This is Paragraph **A.3.** in Form **HO 00 03.**)

In Form **HO 00 05:**

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

3. Water

This means:

- a.** Flood, including but not limited to flash flood, surface water, waves, including tidal wave and tsunami, seiche, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- b.** Water which:
 - (1)** Backs up through sewers or drains; or
 - (2)** Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- c.** Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- d.** Waterborne material carried or otherwise moved by any of the water referred to in **3.a.** through **3.c.** of this exclusion.

This Exclusion **A.3.** applies regardless of whether any of the above, in **A.3.a.** through **A.3.d.**, is caused by an act of nature, an act of man or is otherwise caused.

This Exclusion **A.3.** applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system whether natural, man-made or is otherwise made.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.3.a.** through **A.3.d.**, is covered.

This exclusion does not apply to property described in Coverage **C** that is away from a premises or location owned, rented, occupied or controlled by an "insured".

This exclusion applies to property described in Coverage **C** that is on a premises or location owned, rented, occupied or controlled by an "insured", even if weather conditions contribute in any way to produce the loss.

Paragraph **8. Intentional Loss** is replaced by the following:

8. Intentional Loss

Intentional Loss means 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.

(This is Paragraph **A.8.** in Forms **HO 00 03** and **HO 00 05.**)

The following exclusion is added:

10. "Fungi", Wet Or Dry Rot, Or Bacteria

"Fungi", Wet Or Dry Rot, Or Bacteria means the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot, or bacteria other than as provided in Additional Coverage **13. "Fungi", Wet Or Dry Rot, Or Bacteria.**

(This is Exclusion **A.10.** in Forms **HO 00 03** and **HO 00 05.**)

SECTION I – CONDITIONS

C. Duties After Loss

The following is added to the end of Paragraph **8.:**

However, if a state of disaster is proclaimed or declared for the State of North Carolina or for an area within the state in accordance with North Carolina law and the covered property that has sustained loss is located within the geographic area designated in the disaster proclamation or declaration, this 60-day period shall not commence until the expiration of the disaster proclamation or declaration, including all renewals of the proclamation, ~~or 45 days, whichever is later~~ the expiration of the commissioner's order.

D. Loss Settlement

In Forms **HO 00 02**, **HO 00 03** and **HO 00 05**, Subparagraph **2.a.** is replaced by the following:

2. Buildings covered under Coverage **A** or **B** at replacement cost without deduction for depreciation, subject to 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 before the loss, we will pay the cost to repair or replace, without deduction for depreciation, but not more than the least of the following amounts:

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- (1) The limit of liability under this pPolicy 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 on the "residence premises" or some other premises within the State of North Carolina.

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

F. Appraisal

If you and we fail to agree on the value or amount of any item or loss, either may demand an appraisal of such item or loss. In this event, each party will choose a competent and disinterested appraiser within 20 days after receiving a written request from the other. The two appraisers will choose a competent and impartial umpire. If they cannot agree upon an umpire within 15 days, you or we may request that a choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss. Each party will:

1. Pay its own appraiser; and
2. 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 pPolicy. If there is an appraisal, we still retain the right to deny the claim.

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 of the terms under Section **I** of this pPolicy and the action is started within three years after the date of loss.

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 pPolicy or is legally entitled to receive payment. We will pay within 60 days after the amount is finally determined.

This amount may be determined by:

- a. Reaching an agreement with you;
- b. Entry of a final judgment; or
- c. The filing of an appraisal award with us.

SECTION II – EXCLUSIONS

A. "Motor Vehicle Liability"

Paragraph **2.b.** is replaced in all forms by the following:

- b. Used to service an "insured's" residence;

E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others

Paragraph **1. Expected Or Intended Injury** is replaced in all forms by the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is intended by or which may reasonably be expected to result from the intentional acts or omissions or criminal acts or omissions of one or more "insured" persons. This exclusion applies even if:

- a. The "insured" persons lack the mental capacity to govern their own conduct;
- b. The "bodily injury" or "property damage" is of a different kind, quality or degree than intended or reasonably expected; or
- c. The "bodily injury" or "property damage" is sustained by a different person or entity than intended or reasonably expected.

This exclusion applies regardless of whether or not an "insured" person is actually charged with, or convicted of, a crime.

If the Broadened Home-sharing Host Activities Coverage Endorsement is not made a part of this Policy, Paragraph 2. "Business" is replaced by the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" engaged in by an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. With respect to other than "home-sharing host activities", this Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location":

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- (a) On an occasional basis if used only as a residence;
 - (b) In part, for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An insured minor involved in part-time, self-employed "business" pursuits normally undertaken by minors, unless the minor is employed by a "business". A minor means a person who has not attained his or her 19th birthday (or age 23 if a full-time student);

If the Broadened Home-sharing Host Activities Coverage Endorsement is made a part of this Policy, Paragraph 2. "Business" is replaced by the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" engaged in by an "insured".

This Exclusion E.2. applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion E.2. does not apply to:

- (1) "Home-sharing host activities";
- (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part, for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and
 - (b) An insured minor involved in part-time, self-employed "business" pursuits normally undertaken by minors, unless the minor is employed by a "business". A minor means a person who has not attained his or her 19th birthday (or age 23 if a full-time student);

The following exclusion is added:

9. "Fungi", Wet Or Dry Rot, Or Bacteria

"Bodily injury" or "property damage" arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of or presence of any "fungi", wet or dry rot, or bacteria.

SECTIONS I AND II – CONDITIONS

Paragraph E. Assignment is replaced by the following:

E. Assignment

- 1. Assignment of this Policy will not be valid unless we give our written consent.
- 2. The benefits of this Policy that may be available to you following a covered loss may not be assigned unless:
 - a. All duties listed in Section I – Conditions, C. Duties After Loss are performed by you, and;
 - b. An inspection of the damage has been conducted by an adjuster authorized by us, or we give our written consent.

The following condition is added:

Choice Of Law

This Policy is issued in accordance with the laws of North Carolina and covers property or risks principally located in North Carolina. Any and all claims or disputes in any way related to this Policy shall be governed by the laws of North Carolina.

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNIT-OWNERS COVERAGE A SPECIAL COVERAGE – NORTH CAROLINA

SECTION I – PERILS INSURED AGAINST

If the Broadened Home-sharing Host Activities Coverage Endorsement is not made a part of this Policy, for Coverage A, the Perils Insured Against are replaced by the following:

Perils Insured Against

1. We insure against direct physical loss to property described in Coverage A.
2. We do not insure, however, for loss:
 - a. Excluded under Section I – Exclusions.
 - b. Involving collapse, including any of the following conditions of property or any part of the property:
 - (1) An abrupt falling down or caving in;
 - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above;

except as provided in Paragraph D.8. Collapse under Section I – Property Coverages.
 - c. Caused by:
 - (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
 - (a) Maintain heat in the building; or
 - (b) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply or maintain heat in the building for coverage to apply.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

- (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (a) Fence, pavement, patio or swimming pool;
 - (b) Footing, foundation, bulkhead, wall, or any other structure or device, that supports all or part of a building or other structure;
 - (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
 - (d) Pier, wharf or dock;

(3) Theft:

- (a) If such loss arises out of or results from "home-sharing host activities"; or
- (b) In or to a unit under construction, or of materials and supplies for use in the construction until the unit is finished and occupied;
- ~~(3) Theft in or to a unit under construction, or of materials and supplies for use in the construction until the unit is finished and occupied;~~
- (4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if:
 - (a) The loss arises out of or results from "home-sharing host activities"; or
 - (b) The building containing the "residence premises" has been vacant for more than 60 consecutive days immediately before the loss. A building being constructed is not considered vacant;

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~~(4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the building containing the "residence premises" has been vacant for more than 60 consecutive days immediately before the loss. A building being constructed is not considered vacant;~~

(5) Constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years; or

(6) Any of the following;

- (a) Wear and tear, marring, deterioration;
- (b) Mechanical breakdown, latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;
- (c) Smog, rust or other corrosion;
- (d) Smoke, from:
 - (i) Agricultural smudging; or
 - (ii) Industrial operations;
- (e) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against under Coverage C of this Policy.
Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;
- (f) Settling, shrinking, bulging or expansion, including resultant cracking, of:
 - (i) Pavements or patios;
 - (ii) Footings or foundations;
 - (iii) Walls or floors;
 - (iv) Roofs or ceilings; or
 - (v) Bulkheads;
- (g) Birds, rodents or insects;
- (h) Nesting or infestation, or discharge or release of waste products or secretions, by any animals; or
- (i) Animals owned or kept by an "insured".

Exception To c.(6)

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage A resulting from an accidental discharge or overflow of water or steam from within a:

- (i) Storm drain, or water, steam or sewer pipe, off the "residence premises"; or
- (ii) Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". This includes the cost to tear out and replace any part of a building, or other structure owned solely by you, at the location of the "residence premises", but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building owned solely by you at the location of the "residence premises".

We do not cover loss to the system or appliance from which this water or steam escaped.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

Section I – Exclusion 3. Water, Paragraphs a. and c. that apply to surface water and water below the surface of the ground do not apply to loss by water covered under Paragraphs c.(5) and c.(6) above.

Under Paragraphs 2.b. and 2.c., above any ensuing loss to property described in Coverage A not precluded by any other provision in this Policy is covered.

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If the Broadened Home-sharing Host Activities Coverage Endorsement is made a part of this Policy, for Coverage A, the Perils Insured Against are replaced by the following:

Perils Insured Against

1. We insure against direct physical loss to property described in Coverage A.
2. We do not insure, however, for loss:
 - a. Excluded under Section I – Exclusions;
 - b. Involving collapse, including any of the following conditions of property or any part of the property:
 - (1) An abrupt falling down or caving in;
 - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above; except as provided in D.8. Collapse under Section I – Property Coverages.
 - c. Caused by:
 - (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
 - (a) Maintain heat in the building; or
 - (b) Shut off the water supply and drain all systems and appliances of water.
However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.
For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;
 - (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (a) Fence, pavement, patio or swimming pool;

- (b) Footing, foundation, bulkhead, wall, or any other structure or device, that supports all or part of a building or other structure;
 - (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
 - (d) Pier, wharf or dock;
 - (3) Theft in or to a unit under construction, or of materials and supplies for use in the construction until the unit is finished and occupied;
 - (4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the building containing the "residence premises" has been vacant for more than 60 consecutive days immediately before the loss. A building being constructed is not considered vacant;
 - (5) Constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years; or
 - (6) Any of the following:
 - (a) Wear and tear, marring, deterioration;
 - (b) Mechanical breakdown, latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;
 - (c) Smog, rust or other corrosion or dry rot;
 - (d) Smoke, from:
 - (i) Agricultural smudging; or
 - (ii) Industrial operations;
 - (e) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against named under Coverage C of this Policy.

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Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;

- (f) Settling, shrinking, bulging or expansion, including resultant cracking, of:
 - (i) Pavements or patios;
 - (ii) Footings or foundations;
 - (iii) Walls or floors;
 - (iv) Roofs or ceilings; or
 - (v) Bulkheads;
- (g) Birds, rodents or insects;
- (h) Nesting or infestation, or discharge or release of waste products or secretions, by any animals; or
- (i) Animals owned or kept by an "insured".

Exception To c.(6)

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage A resulting from an accidental discharge or overflow of water or steam from within a:

- (i) Storm drain, or water, steam or sewer pipe, off the "residence premises"; or
- (ii) Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". This includes the cost to tear out and replace any part of a building, or other structure owned solely by you, at the location of the "residence premises", but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building owned solely by you at the location of the "residence premises".

We do not cover loss to the system or appliance from which this water or steam escaped.

For the purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

Section I – Exclusion 3. Water, Paragraphs a. and c. that apply to surface water and water below the surface of the ground, do not apply to loss by water covered under c.(5) and c.(6) above.

Under 2.b. and 2.c. above, any ensuing loss to property described in Coverage A not precluded by any other provision in this Policy is covered.

SECTION I – EXCLUSIONS

The following exclusions are added:

We do not insure for loss to property described in Coverage A caused by any of the following. However, any ensuing loss to property described in Coverage A not precluded by any other provision in this pPolicy is covered.

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Section I – Exclusions, other than Exclusions 2. and 3. below, to produce the loss;
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body; or
3. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;
 - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - c. Materials used in repair, construction, renovation or remodeling; or
 - d. Maintenance;

of part or all of any property whether on or off the "residence premises".

All other provisions of this pPolicy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL COMPUTER COVERAGE – NORTH CAROLINA

DEFINITIONS

With respect to the coverage provided by this endorsement, "computer equipment" means:

1. Computer hardware, software, operating systems or networks; and
2. Other electronic parts, equipment or systems solely designed for use with or connected to equipment in Paragraph 1. above.

SECTION I – PERILS INSURED AGAINST

If the Broadened Home-sharing Host Activities Coverage Endorsement is not made a part of this Policy, with respect to "computer equipment" defined above, the Perils Insured Against which apply to Coverage C – Personal Property are replaced by the following:

1. We cover an "insured's" "computer equipment", as defined in this endorsement, against direct physical loss.
2. We do not insure, however, for loss:
 - a. Excluded under Section I – Exclusions.
 - b. Caused by:
 - (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
 - (a) Maintain heat in the building; or
 - (b) Shut off the water supply and drain all systems and appliances of water;However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.
For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

~~(2) Theft in or to a dwelling under construction, until the dwelling is finished and occupied;~~

~~(2) Theft:~~

~~(a) If such loss arises out of or results from "home-sharing host activities"; or~~

~~(b) In or to a dwelling under construction until the dwelling is finished and occupied;~~

~~(3) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;~~

~~(3) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if:~~

~~(a) The loss arises out of or results from "home-sharing host activities"; or~~

~~(b) The dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;~~

(4) Dampness of atmosphere or extremes of temperature unless the direct cause of loss is:

(a) Rain or snow; or

(b) Sleet or hail;

(5) Refinishing, renovating or repairing property;

(6) Collision, other than collision with a land vehicle, sinking, swamping or stranding of watercraft of all types, including their:

(a) Trailers;

(b) Furnishings;

(c) Equipment; and

(d) Outboard engines or motors;

(7) Acts or decisions, including the failure to act or decide, of any:

(a) Person or group; or

(b) Organization or governmental body.

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However, any ensuing loss not excluded or excepted in this policy is covered; or

(8) Any of the following:

- (a) Wear and tear, marring, deterioration;**
- (b) Mechanical breakdown, latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself;**
- (c) Smog, rust or other corrosion;**
- (d) Smoke, from:**
 - (i) Agricultural smudging; or**
 - (ii) Industrial operations;**
- (e) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by one or more of the Perils Insured Against that would apply under Coverage C of the pPolicy form if this endorsement were not attached to the pPolicy form.**
 Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;
- (f) Settling, shrinking, bulging or expansion, including resultant cracking, of:**
 - (i) Pavements or patios;**
 - (ii) Footings or foundations;**
 - (iii) Walls or floors;**
 - (iv) Roofs or ceilings; or**
 - (v) Bulkheads;**
- (g) Birds, rodents or insects;**
- (h) Nesting or infestation, or discharge or release of waste products or secretions, by any animals; or**
- (i) Animals owned or kept by an "insured".**

Exception To b.(8)

Unless the loss is otherwise excluded, we cover loss to "computer equipment" resulting from an accidental discharge or overflow of water or steam from within a:

- (i) Storm drain or water, steam or sewer pipe off the "residence premises"; or**

- (ii) Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises".**

We do not cover loss to the system or appliance from which this water or steam escaped.

For the purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

Section I – Water Exclusion, Paragraphs a. and c., that apply to surface water and water below the surface of the ground, do not apply to loss by water covered under b.(8) above.

With respect to the precluded perils in 2.b.(1), 2.b.(2) and 2.b.(8), any ensuing loss not precluded by any other provision in this pPolicy is covered.

If the Broadened Home-sharing Host Activities Coverage Endorsement is made a part of this Policy, with respect to "computer equipment" defined above, the Perils Insured Against which apply to Coverage C – Personal Property are replaced by the following:

1. We cover an "insured's" "computer equipment", as defined in this endorsement, against direct physical loss.
2. We do not insure, however, for loss:
 - a. Excluded under Section I – Exclusions.
 - b. Caused by:
 - (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
 - (a) Maintain heat in the building; or
 - (b) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

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- (2) Theft in or to a dwelling under construction, until the dwelling is finished and occupied;
- (3) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- (4) Dampness of atmosphere or extremes of temperature unless the direct cause of loss is:
 - (a) Rain or snow; or
 - (b) Sleet or hail;
- (5) Refinishing, renovating or repairing property;
- (6) Collision, other than collision with a land vehicle, sinking, swamping or stranding of watercraft of all types, including their:
 - (a) Trailers;
 - (b) Furnishings;
 - (c) Equipment; and
 - (d) Outboard engines or motors;
- (7) Acts or decisions, including the failure to act or decide, of any:
 - (a) Person or group; or
 - (b) Organization or governmental body.

However, any ensuing loss not excluded or excepted in this Policy is covered; or
- (8) Any of the following:
 - (a) Wear and tear, marring, deterioration;
 - (b) Mechanical breakdown, latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself;
 - (c) Smog, rust or other corrosion or dry rot;
 - (d) Smoke, from:
 - (i) Agricultural smudging; or
 - (ii) Industrial operations;
 - (e) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by one or more of the Perils Insured Against that would apply under Coverage C of the Policy if this endorsement were not attached to the Policy.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;

- (f) Settling, shrinking, bulging or expansion, including resultant cracking, of:
 - (i) Pavements or patios;
 - (ii) Footings or foundations;
 - (iii) Walls or floors;
 - (iv) Roofs or ceilings; or
 - (v) Bulkheads;
- (g) Birds, rodents or insects;
- (h) Nesting or infestation, or discharge or release of waste products or secretions, by any animals; or
- (i) Animals owned or kept by an "insured".

Exception To b.(8)

Unless the loss is otherwise excluded, we cover loss to "computer equipment" resulting from an accidental discharge or overflow of water or steam from within a:

- (i) Storm drain or water, steam or sewer pipe off the "residence premises"; or
- (ii) Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises".

We do not cover loss to the system or appliance from which this water or steam escaped.

For the purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

Section I – Water Exclusion Paragraphs a. and c., that apply to surface water and water below the surface of the ground, do not apply to loss by water covered under b.(8) above.

With respect to the precluded perils in 2.b.(1), 2.b.(2) and 2.b.(8), any ensuing loss not precluded by any other provision in this Policy is covered.

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SPECIAL CONDITIONS

The coverage provided by this endorsement does not:

- 1. Increase the Coverage C Limit Of Liability;
- 2. Modify the Coverage C Special Limits Of Liability;
or
- 3. Modify any provision that applies to Coverage C Property Not Covered.

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOME-SHARING HOST ACTIVITIES AMENDATORY ENDORSEMENT – NORTH CAROLINA

DEFINITIONS

A. The following definitions are added:

1. "Home-sharing host activities" means:
 - a. The:
 - (1) Rental or holding for rental; or
 - (2) Mutual exchange of services;
of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b. Any other related property or services made available by an "insured" for use during such:
 - (1) Rental; or
 - (2) Mutual exchange of services;
except those property or services provided by another party.
2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.
3. "Home-sharing occupant" means a person, other than an "insured", who:
 - a. Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or
 - b. Is accompanying or staying with a person described in Paragraph **3.a.** of this provision under such "home-sharing host activities".

B. In this Policy, the terms:

1. Roomer;
2. Boarder;
3. Tenant; or
4. Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

C. Coverage C – Personal Property

Paragraphs **f.** and **g.** of **4. Property Not Covered** are replaced by the following:

We do not cover:

f. Property of:

- (1) A "home-sharing occupant";
- (2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and
- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

g. Property in:

- (1) A space while rented or primarily held for rental to a "home-sharing occupant"; or
- (2) Subject to Paragraph **C.4.g.(1)**, property in an apartment regularly rented or held for rental to others by an "insured" except as provided in **E.10. Landlord's Furnishings** under Section I – Property Coverages;

The following provision is added to **4. Property Not Covered**:

We do not cover property used primarily for "home-sharing host activities".

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D. Coverage D – Loss Of Use

Paragraph **D.2. Fair Rental Value** is replaced by the following:

2. Fair Rental Value

If a loss covered under Section I makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

However, we do not cover any fair rental value arising out of or in connection with "home-sharing host activities".

Payment will be for the shortest time required to repair or replace such premises.

SECTION I – PERILS INSURED AGAINST

Paragraph **8.** is replaced by the following:

8. Vandalism Or Malicious Mischief

This peril does not include loss to property on the "residence premises", and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if:

- a. The loss arises out of or results from "home-sharing host activities"; or
- b. The dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

Paragraph **9.** is replaced by the following:

9. Theft

- a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.
- b. This peril does not include loss caused by theft:
 - (1) Committed by an "insured";
 - (2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
 - (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured";
 - (4) That occurs off the "residence premises" of:
 - (a) Trailers, semitrailers and campers;
 - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or

- (c) Property while at any other residence owned by, rented to, or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss; or

- (5) If such loss arises out of or results from "home-sharing host activities".

SECTION II – EXCLUSIONS

Exclusion **E.2.** is replaced by the following:

Coverages **E** and **F** do not apply to the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. With respect to other than "home-sharing host activities", this Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location":
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

G. Coverage F – Medical Payments To Others

Exclusion **G.4.** is replaced by the following:

Coverage **F** does not apply to "bodily injury":

4. To:

- a. A "home-sharing occupant"; or

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- b. Any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion 1.g. is replaced by the following:

This insurance does not apply to:

- 1. "Personal injury":
 - g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

With respect to other than "home-sharing host activities", this exclusion does not apply to:

- (1) The rental or holding for rental of an "insured location":
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOME-SHARING HOST ACTIVITIES AMENDATORY ENDORSEMENT – NORTH CAROLINA

DEFINITIONS

- A. The following definitions are added:
1. "Home-sharing host activities" means:
 - a. The:
 - (1) Rental or holding for rental; or
 - (2) Mutual exchange of services; of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b. Any other related property or services made available by an "insured" for use during such:
 - (1) Rental; or
 - (2) Mutual exchange of services; except those property or services provided by another party.
 2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.
 3. "Home-sharing occupant" means a person, other than an "insured", who:
 - a. Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or
 - b. Is accompanying or staying with a person described in Paragraph 3.a. of this provision under such "home-sharing host activities".

B. In this Policy, the terms:

1. Roomer;
2. Boarder;
3. Tenant; or
4. Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

C. Coverage C – Personal Property

Paragraphs f. and g. of 4. **Property Not Covered** are replaced by the following:

We do not cover:

f. Property of:

- (1) A "home-sharing occupant";
- (2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and
- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

g. Property in:

- (1) A space while rented or primarily held for rental to a "home-sharing occupant"; or
- (2) Subject to Paragraph C.4.g.(1), property in an apartment regularly rented or held for rental to others by an "insured" except as provided in E.10. Landlord's Furnishings under Section I – Property Coverages;

The following provision is added to 4. **Property Not Covered**:

We do not cover property used primarily for "home-sharing host activities".

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D. Coverage D – Loss Of Use

Paragraph **D.2. Fair Rental Value** is replaced by the following:

2. Fair Rental Value

If a loss covered under Section I makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

However, we do not cover any fair rental value arising out of or in connection with "home-sharing host activities".

Payment will be for the shortest time required to repair or replace such premises.

SECTION I – PERILS INSURED AGAINST

A. Coverage A – Dwelling And Coverage B – Other Structures

Paragraph **A.2.c.(3)** is replaced by the following:

(3) Theft:

- (a) If such loss arises out of or results from "home-sharing host activities"; or
- (b) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;

Paragraph **A.2.c.(4)** is replaced by the following:

- (4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if:
 - (a) The loss arises out of or results from "home-sharing host activities"; or
 - (b) The dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;

B. Coverage C – Personal Property

Paragraph **B.8.** is replaced by the following:

8. Vandalism Or Malicious Mischief

This peril does not include loss caused by vandalism or malicious mischief to property arising out of or resulting from "home-sharing host activities".

Paragraph **B.9.** is replaced by the following:

9. Theft

- a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.
- b. This peril does not include loss caused by theft:
 - (1) Committed by an "insured";
 - (2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
 - (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured";
 - (4) That occurs off the "residence premises" of:
 - (a) Trailers, semitrailers and campers;
 - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or
 - (c) Property while at any other residence owned by, rented to or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss; or
 - (5) If such loss arises out of or results from "home-sharing host activities".

SECTION II – EXCLUSIONS

Exclusion **E.2.** is replaced by the following:

Coverages **E** and **F** do not apply to the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

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b. With respect to other than "home-sharing host activities", this Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location":
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

Exclusion **G.4.** is replaced by the following:

Coverage **F** does not apply to "bodily injury":

4. To:

- a. A "home-sharing occupant"; or
- b. Any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion **1.g.** is replaced by the following:

This insurance does not apply to:

1. "Personal injury":
 - g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

With respect to other than "home-sharing host activities", this exclusion does not apply to:

- (1) The rental or holding for rental of an "insured location":
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOME-SHARING HOST ACTIVITIES AMENDATORY ENDORSEMENT – NORTH CAROLINA

DEFINITIONS

A. The following definitions are added:

1. "Home-sharing host activities" means:
 - a. The:
 - (1) Rental or holding for rental; or
 - (2) Mutual exchange of services;
of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b. Any other related property or services made available by an "insured" for use during such:
 - (1) Rental; or
 - (2) Mutual exchange of services;
except those property or services provided by another party.
2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.
3. "Home-sharing occupant" means a person, other than an "insured", who:
 - a. Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or
 - b. Is accompanying or staying with a person described in Paragraph **3.a.** of this provision under such "home-sharing host activities".

B. In this Policy, the terms:

1. Roomer;
2. Boarder;
3. Tenant; or
4. Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

C. Coverage C – Personal Property

Paragraphs **f.** and **g.** of **4. Property Not Covered** are replaced by the following:

We do not cover:

f. Property of:

- (1) A "home-sharing occupant";
- (2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and
- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

g. Property in:

- (1) A space while rented or primarily held for rental to a "home-sharing occupant"; or
- (2) Subject to Paragraph **C.4.g.(1)**, property in an apartment regularly rented or held for rental to others by an "insured".

The following provision is added to **4. Property Not Covered**:

We do not cover property used primarily for "home-sharing host activities".

D. Coverage D – Loss Of Use

Paragraph **D.2. Fair Rental Value** is replaced by the following:

2. Fair Rental Value

If a loss covered under Section I makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

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However, we do not cover any fair rental value arising out of or in connection with "home-sharing host activities".

Payment will be for the shortest time required to repair or replace such premises.

SECTION I – PERILS INSURED AGAINST

Paragraph 8. is replaced by the following:

8. Vandalism Or Malicious Mischief

This peril does not include loss to property on the "residence premises", and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if:

- a. The loss arises out of or results from "home-sharing host activities"; or
- b. The dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

Paragraph 9. is replaced by the following:

9. Theft

- a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.
- b. This peril does not include loss caused by theft:
 - (1) Committed by an "insured";
 - (2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
 - (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured";
 - (4) That occurs off the "residence premises" of:
 - (a) Trailers, semitrailers and campers;
 - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or
 - (c) Property while at any other residence owned by, rented to or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss; or

- (5) If such loss arises out of or results from "home-sharing host activities".

SECTION II – EXCLUSIONS

Exclusion E.2. is replaced by the following:

Coverages E and F do not apply to the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion E.2. applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. With respect to other than "home-sharing host activities", this Exclusion E.2. does not apply to:

- (1) The rental or holding for rental of an "insured location":
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

Exclusion G.4. is replaced by the following:

Coverage F does not apply to "bodily injury":

4. To:

- a. A "home-sharing occupant"; or
- b. Any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion 1.g. is replaced by the following:

This insurance does not apply to:

1. "Personal injury":

- g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

With respect to other than "home-sharing host activities", this exclusion does not apply to:

- (1) The rental or holding for rental of an "insured location":
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOME-SHARING HOST ACTIVITIES AMENDATORY ENDORSEMENT – NORTH CAROLINA

DEFINITIONS

A. The following definitions are added:

1. "Home-sharing host activities" means:
 - a. The:
 - (1) Rental or holding for rental; or
 - (2) Mutual exchange of services; of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b. Any other related property or services made available by an "insured" for use during such:
 - (1) Rental; or
 - (2) Mutual exchange of services; except those property or services provided by another party.
2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.
3. "Home-sharing occupant" means a person, other than an "insured", who:
 - a. Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or
 - b. Is accompanying or staying with a person described in Paragraph 3.a. of this provision under such "home-sharing host activities".

B. In this Policy, the terms:

1. Roomer;

2. Boarder;

3. Tenant; or

4. Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

C. Coverage C – Personal Property

Paragraphs f. and g. of 4. **Property Not Covered** are replaced by the following:

We do not cover:

f. Property of:

- (1) A "home-sharing occupant";
- (2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and
- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

g. Property in:

- (1) A space while rented or primarily held for rental to a "home-sharing occupant"; or
- (2) Subject to Paragraph C.4.g.(1), property in an apartment regularly rented or held for rental to others by an "insured" except as provided in E.10. Landlord's Furnishings under Section I – Property Coverages;

The following provision is added to 4. **Property Not Covered**:

We do not cover property used primarily for "home-sharing host activities".

D. Coverage D – Loss Of Use

Paragraph D.2. **Fair Rental Value** is replaced by the following:

2. Fair Rental Value

If a loss covered under Section I makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

However, we do not cover any fair rental value arising out of or in connection with "home-sharing host activities".

Payment will be for the shortest time required to repair or replace such premises.

SECTION I – PERILS INSURED AGAINST

We do not insure, however, for loss:

A. Under Coverages A, B and C:

Paragraph ~~8~~A.2.c. is replaced by the following:

c. Theft:

(1) If such loss arises out of or results from "home-sharing host activities"; or

(2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;

8. Vandalism Or Malicious Mischief

~~This peril does not include loss to property on the "residence premises";~~B. Under Coverages A and B:

Paragraph ~~B.1.~~ is replaced by the following:

1. Caused by vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if:

a. The loss arises out of or results from "home-sharing host activities"; or

b. The dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;

Paragraph ~~9~~Section C. is replaced by the following:

~~9~~C. Under Coverage C caused by:

1. Breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains and similar fragile articles other than jewelry, watches, bronzes, cameras and photographic lenses.

However, there is coverage for breakage of the property by or resulting from:

a. Fire, lightning, windstorm, hail;

b. Smoke, other than smoke from agricultural smudging or industrial operations;

c. Explosion, riot, civil commotion;

d. Aircraft, vehicles, vandalism and malicious mischief;

e. Collapse of a building or any part of a building;

f. Water not otherwise excluded;

g. Theft

~~a. This peril includes or attempted theft and loss of property from a known place when it is likely that the property has been stolen; or~~

~~b. This peril does not include loss caused by theft:~~

~~(1) Committed by an "insured";~~

~~(2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;~~

h. Sudden and accidental tearing apart, cracking, burning or bulging of:

(1) A steam or hot water heating system;

(2) An air conditioning or automatic fire protective sprinkler system; or

(3) From that partAn appliance for heating water;

2. Dampness of a "residence premises" rented by an "insured" to someoneatmosphere or extremes of temperature unless the direct cause of loss is rain, snow, sleet or hail;

3. Refinishing, renovating or repairing property other than another "insured";

~~(4) That occurs off the "residence premises" of:~~

~~(a) Trailers, semitrailers and campers;~~

~~(b) Watercraft of all types, watches, jewelry and furs;~~

4. Collision, other than collision with a land vehicle, sinking, swamping or stranding of watercraft, including their trailers, furnishings, equipment and outboard engines or motors; or

~~(c) Property while at any other residence owned by, rented to or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss; or~~

~~(5) If such loss arises5. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body. However, any ensuing loss to property described in Coverage C not precluded by any other provision in this Policy is covered; or~~

6. Vandalism or malicious mischief to property arising out of or resultsresulting from "home-sharing host activities".

SECTION II – EXCLUSIONS

Exclusion **E.2.** is replaced by the following:

Coverages **E** and **F** do not apply to the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. With respect to other than "home-sharing host activities", this Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location":

(a) On an occasional basis if used only as a residence;

(b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or

(c) In part, as an office, school, studio or private garage; and

- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

Exclusion **G.4.** is replaced by the following:

Coverage **F** does not apply to "bodily injury":

4. To:

- a. A "home-sharing occupant"; or
- b. Any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion **1.g.** is replaced by the following:

This insurance does not apply to:

1. "Personal injury":

- g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

With respect to other than "home-sharing host activities", this exclusion does not apply to:

- (1) The rental or holding for rental of an "insured location":

(a) On an occasional basis if used only as a residence;

(b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or

(c) In part, as an office, school, studio or private garage; and

- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOME-SHARING HOST ACTIVITIES AMENDATORY ENDORSEMENT – NORTH CAROLINA

N

DEFINITIONS

A. The following definitions are added:

1. "Home-sharing host activities" means:
 - a. The:
 - (1) Rental or holding for rental; or
 - (2) Mutual exchange of services;
of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b. Any other related property or services made available by an "insured" for use during such:
 - (1) Rental; or
 - (2) Mutual exchange of services;
except those property or services provided by another party.
 2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.
 3. "Home-sharing occupant" means a person, other than an "insured", who:
 - a. Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or
 - b. Is accompanying or staying with a person described in Paragraph 3.a. of this provision under such "home-sharing host activities".
- B. In this Policy, the terms:
1. Roomer;
 2. Boarder;
 3. Tenant; or

4. Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

C. Coverage C – Personal Property

Paragraphs f. and g. of 4. **Property Not Covered** are replaced by the following:

We do not cover:

f. Property of:

- (1) A "home-sharing occupant";
- (2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and
- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

g. Property in:

- (1) A space while rented or primarily held for rental to a "home-sharing occupant"; or
- (2) Subject to Paragraph C.4.g.(1), property in an apartment regularly rented or held for rental to others by an "insured".

The following provision is added to 4. **Property Not Covered**:

We do not cover property used primarily for "home-sharing host activities".

D. Coverage D – Loss Of Use

Paragraph D.2. **Fair Rental Value** is replaced by the following:

2. Fair Rental Value

If a loss covered under Section I makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

However, we do not cover any fair rental value arising out of or in connection with "home-sharing host activities".

Payment will be for the shortest time required to repair or replace such premises.

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SECTION I – PERILS INSURED AGAINST

Paragraph 8. is replaced by the following:

8. Vandalism Or Malicious Mischief

This peril does not include loss to property which pertains to the "residence premises", and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if:

- a. The loss arises out of or results from "home-sharing host activities"; or
- b. The building containing the "residence premises" has been vacant for more than 60 consecutive days immediately before the loss. A building being constructed is not considered vacant.

Paragraph 9. is replaced by the following:

9. Theft

- a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.
- b. This peril does not include loss caused by theft:
 - (1) Committed by an "insured";
 - (2) In or to a "residence premises" under construction, or of materials and supplies for use in the construction until the "residence premises" is finished and occupied;
 - (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured";
 - (4) That occurs away from the "residence premises" or the location of the "residence premises" of:
 - (a) Trailers, semitrailers and campers;
 - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or
 - (c) Property while at any other residence owned by, rented to or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss; or

- (5) If such loss arises out of or results from "home-sharing host activities".

SECTION II – EXCLUSIONS

Exclusion E.2. is replaced by the following:

Coverages E and F do not apply to the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion E.2. applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. With respect to other than "home-sharing host activities", this Exclusion E.2. does not apply to:

- (1) The rental or holding for rental of an "insured location":
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

Exclusion G.4. is replaced by the following:

Coverage F does not apply to "bodily injury":

4. To:

- a. A "home-sharing occupant"; or
- b. Any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion **1.g.** is replaced by the following:

This insurance does not apply to:

1. "Personal injury":

- g.** Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

With respect to other than "home-sharing host activities", this exclusion does not apply to:

- (1)** The rental or holding for rental of an "insured location":
 - (a)** On an occasional basis if used only as a residence;
 - (b)** In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c)** In part, as an office, school, studio or private garage; and
- (2)** An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOME-SHARING HOST ACTIVITIES AMENDATORY ENDORSEMENT – NORTH CAROLINA

N

DEFINITIONS

- A. The following definitions are added:
1. "Home-sharing host activities" means:
 - a. The:
 - (1) Rental or holding for rental; or
 - (2) Mutual exchange of services; of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b. Any other related property or services made available by an "insured" for use during such:
 - (1) Rental; or
 - (2) Mutual exchange of services; except those property or services provided by another party.
 2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.
 3. "Home-sharing occupant" means a person, other than an "insured", who:
 - a. Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or
 - b. Is accompanying or staying with a person described in Paragraph 3.a. of this provision under such "home-sharing host activities".

B. In this Policy, the terms:

1. Roomer;
2. Boarder;
3. Tenant; or
4. Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

C. Coverage C – Personal Property

Paragraphs f. and g. of 4. **Property Not Covered** are replaced by the following:

We do not cover:

f. Property of:

- (1) A "home-sharing occupant";
- (2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and
- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

g. Property in:

- (1) A space while rented or primarily held for rental to a "home-sharing occupant"; or
- (2) Subject to Paragraph C.4.g.(1), property in an apartment regularly rented or held for rental to others by an "insured";

The following provision is added to 4. **Property Not Covered**:

We do not cover property used primarily for "home-sharing host activities".

D. Coverage D – Loss Of Use

Paragraph D.2. **Fair Rental Value** is replaced by the following:

2. Fair Rental Value

If a loss covered under Section I makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

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However, we do not cover any fair rental value arising out of or in connection with "home-sharing host activities".

Payment will be for the shortest time required to repair or replace such premises.

SECTION I – PERILS INSURED AGAINST

Paragraph 8. is replaced by the following:

8. Vandalism Or Malicious Mischief

This peril does not include loss to property on the "residence premises", and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if:

- a. The loss arises out of or results from "home-sharing host activities"; or
- b. The dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

Paragraph 9. is replaced by the following:

9. Theft

- a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.
- b. This peril does not include loss caused by theft:
 - (1) Committed by an "insured";
 - (2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
 - (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured";
 - (4) That occurs off the "residence premises"; or
 - (5) If such loss arises out of or results from "home-sharing host activities".
- c. Personal property contained in any bank, trust or safe deposit company, public warehouse or self-storage facility will be considered on the "residence premises".
- d. Our liability will not be more than \$1,000 in any one loss caused by theft.

SECTION II – EXCLUSIONS

Exclusion E.2. is replaced by the following:

Coverages E and F do not apply to the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion E.2. applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. With respect to other than "home-sharing host activities", this Exclusion E.2. does not apply to:

- (1) The rental or holding for rental of an "insured location":
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

Exclusion G.4. is replaced by the following:

Coverage F does not apply to "bodily injury":

4. To:

- a. A "home-sharing occupant"; or
- b. Any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

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The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion 1.g. is replaced by the following:

This insurance does not apply to:

1. "Personal injury":

- g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

With respect to other than "home-sharing host activities", this exclusion does not apply to:

- (1) The rental or holding for rental of an "insured location":
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROADENED HOME-SHARING HOST ACTIVITIES COVERAGE ENDORSEMENT – NORTH CAROLINA

SCHEDULE

Home-sharing Host Activities Damage To Property Of Others	
Limit Of Liability: \$	Per Occurrence
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

DEFINITIONS

- A.** The following definitions are added:
1. "Home-sharing host activities" means:
 - a. The:
 - (1) Rental or holding for rental; or
 - (2) Mutual exchange of services; of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b. Any other related property or services made available by an "insured" for use during such:
 - (1) Rental; or
 - (2) Mutual exchange of services; except those property or services provided by another party.
 2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.
 3. "Home-sharing occupant" means a person, other than an "insured", who:
 - a. Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or

- b. Is accompanying or staying with a person described in Paragraph **3.a.** of this provision under such "home-sharing host activities".

B. In this Policy, the terms:

1. Roomer;
2. Boarder;
3. Tenant; or
4. Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

B. Coverage B – Other Structures

With respect to the coverage provided by this endorsement, Paragraphs **B.2.b.** and **B.2.c.** are replaced by the following:

2. We do not cover:
 - b. Other structures rented or held for rental to any person other than a:
 - (1) "Home-sharing occupant"; or
 - (2) Tenant of the dwelling; unless used solely as a private garage;
 - c. Other structures from which any "business" is conducted, except structures used primarily for "home-sharing host activities"; or

C. Coverage C – Personal Property

Paragraph **f.** of **4. Property Not Covered** is replaced by the following:

- We do not cover:
- f. Property of:
 - (1) A "home-sharing occupant";
 - (2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and

- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

D. Coverage D – Loss Of Use

With respect to the coverage provided by this endorsement, Paragraph **D.2. Fair Rental Value** is replaced by the following:

2. Lost Rental Value Of "Home-sharing Host Activities"

If an "insured" has entered into a contract or agreement with another person through the use of a "home-sharing network platform" for "home-sharing host activities" for a specified period of time, and either:

- a. A loss covered under Section I makes that part of the "residence premises" used for such "home-sharing host activities" not fit to live in during the period of time specified in such contract or agreement; or
- b. The "insured" or such other person cancels such contract or agreement, provided such cancellation takes place:

(1) During the period of time a National Weather Service hurricane watch or hurricane warning is in effect for any part of the state in which the:

- (a) "Residence premises" is located; or
- (b) Person entering into such contract or agreement with the "insured" resides; or

(2) Within 24 hours of the termination of such hurricane watch or hurricane warning described in Paragraph **b.(1)** of this provision;

we cover the lost rental value of the "home-sharing host activities" specified under such contract or agreement, less any expenses that do not continue while it is not fit to live in.

Payment will be for the shortest period of time agreed upon for "home-sharing host activities" under such contract or agreement.

E. Additional Coverages

Paragraph **E.10. Landlord's Furnishings** is replaced by the following:

10. Landlord's Furnishings

We will pay up to \$2,500 for your appliances, carpeting and other household furnishings, in each apartment on the "residence premises" regularly rented or held for rental to others by an "insured", for loss caused by a Peril Insured Against, other than Theft.

This coverage includes, but is not limited to, loss to appliances, carpeting and other household furnishings which results from "home-sharing host activities".

This limit is the most we will pay in any one loss regardless of the number of appliances, carpeting or other household furnishings involved in the loss.

This coverage does not increase the limit of liability applying to the damaged property.

SECTION I – PERILS INSURED AGAINST

With respect to the coverage provided by this endorsement, Paragraph **9.b.(3)** is replaced by the following:

9. Theft

b. This peril does not include loss caused by theft:

(3) From that part of a "residence premises" rented by an "insured" to someone other than:

- (a) Another "insured"; or
- (b) A "home-sharing occupant".

However, we will not pay, under this Provision **b.(3)(b)**, for loss by theft of:

- (i) Money, bank notes, bullion, gold, goldware, gold-plated ware, silver, silverware, silver-plated ware, pewterware, platinum, platinumware, platinum-plated ware, coins, medals, scrip, stored value cards and smart cards;

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- (ii) Securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps regardless of the medium (such as paper or computer software) on which the material exists; or
- (iii) Jewelry, watches, furs, precious and semiprecious stones; or

SECTION I – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph **G. Other Insurance And Service Agreement** is replaced by the following:

G. Other Insurance And Service Agreement

1. If a loss covered by this Policy is also covered by:
 - a. Other insurance, except insurance provided by a "home-sharing network platform", we will pay only the proportion of the loss that the limit of liability that applies under this Policy bears to the total amount of insurance covering the loss; or
 - b. A service agreement, protection plan or guarantee, except a service agreement, protection plan or guarantee provided by a "home-sharing network platform", this insurance is excess over any amounts payable under any such agreement.
2. Subject to Paragraph **G.1.**, if, at the time of loss, there is:
 - a. Other insurance;
 - b. A service agreement;
 - c. A protection plan; or
 - d. A guarantee;

provided by, on behalf of, or through a "home-sharing network platform" covering the same property covered by this Policy, this insurance is primary with respect to the amount due under such other insurance, service agreement, protection plan or guarantee.
3. As used in this Paragraph **G.**:
 - a. A service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.
 - b. A protection plan or guarantee means a product provided by a "home-sharing network platform" which provides property damage protection for "home-sharing host activities", even if it is characterized as insurance.

SECTION II – EXCLUSIONS

With respect to the coverage provided by this endorsement, Exclusion **E.2.** is replaced by the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:

- (1) "Home-sharing host activities";
- (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and
 - (b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

SECTION II – ADDITIONAL COVERAGES

With respect to the coverage provided by this endorsement, Paragraph **C. Damage To Property Of Others** is replaced by the following:

C. Home-sharing Host Activities Damage To Property Of Others

1. We will pay, at replacement cost, up to:
 - a. \$1,000; or
 - b. The Home-sharing Host Activities Damage To Property Of Others Limit Of Liability shown in the Schedule;

whichever is greater, per "occurrence", for "property damage" to property of others:

 - a. Caused by an "insured"; and
 - b. Arising out of "home-sharing host activities".

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2. We will not pay for "property damage":
 - a. To the extent of any amount recoverable under Section I;
 - b. Caused intentionally by an "insured" who is 13 years of age or older;
 - c. To property owned by an "insured";
 - d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
 - e. Arising out of:
 - (1) A "business", other than "home-sharing host activities", engaged in by an "insured";
 - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
 - (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This Exclusion e.(3) does not apply to a "motor vehicle" that:

 - (a) Is designed for recreational use off public roads;
 - (b) Is not owned by an "insured"; and
 - (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

SECTION II – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph H. **Other Insurance** is replaced by the following:

H. Other Insurance

This insurance is:

1. Primary with respect to:
 - a. Other insurance;
 - b. A protection plan; or
 - c. A guarantee;

provided by, on behalf of, or through a "home-sharing network platform" covering "home-sharing host activities".
2. Subject to Paragraph H.1., excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this Policy.

3. As used in this Paragraph H., a protection plan or guarantee means a product provided by, on behalf of, or through a "home-sharing network platform" which provides liability protection for "home-sharing host activities", even if it is characterized as insurance.

SECTIONS I AND II – CONDITIONS

The following provision is added:

Home-sharing Host Activities Verification Requirements

With respect to "home-sharing host activities", we must be provided, as often as we reasonably require, with information concerning the number of:

1. Rental agreements or contracts entered into by an "insured"; and
2. Nights the "residence premises" was occupied, in whole or in part, by "home-sharing occupants".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion 1.g. is replaced by the following:

This insurance does not apply to:

1. "Personal injury":
 - g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

This exclusion does not apply to:

- (1) "Home-sharing host activities";
- (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and

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(b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROADENED HOME-SHARING HOST ACTIVITIES COVERAGE ENDORSEMENT – NORTH CAROLINA

SCHEDULE

Home-sharing Host Activities Damage To Property Of Others	
Limit Of Liability: \$	Per Occurrence
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

DEFINITIONS

A. The following definitions are added:

1. "Home-sharing host activities" means:

a. The:

- (1)** Rental or holding for rental; or
- (2)** Mutual exchange of services;

of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and

b. Any other related property or services made available by an "insured" for use during such:

- (1)** Rental; or
- (2)** Mutual exchange of services;

except those property or services provided by another party.

2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:

a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and

b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.

3. "Home-sharing occupant" means a person, other than an "insured", who:

a. Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or

b. Is accompanying or staying with a person described in Paragraph **3.a.** of this provision under such "home-sharing host activities".

B. In this Policy, the terms:

- 1.** Roomer;
- 2.** Boarder;
- 3.** Tenant; or
- 4.** Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

B. Coverage B – Other Structures

With respect to the coverage provided by this endorsement, Paragraphs **B.2.b.** and **B.2.c.** are replaced by the following:

2. We do not cover:

b. Other structures rented or held for rental to any person other than a:

- (1)** "Home-sharing occupant"; or
- (2)** Tenant of the dwelling;

unless used solely as a private garage;

c. Other structures from which any "business" is conducted, except structures used primarily for "home-sharing host activities"; or

C. Coverage C – Personal Property

Paragraph **f.** of **4. Property Not Covered** is replaced by the following:

We do not cover:

f. Property of:

- (1)** A "home-sharing occupant";
- (2)** Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and

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- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

D. Coverage D – Loss Of Use

With respect to the coverage provided by this endorsement, Paragraph **D.2. Fair Rental Value** is replaced by the following:

2. Lost Rental Value Of "Home-sharing Host Activities"

If an "insured" has entered into a contract or agreement with another person through the use of a "home-sharing network platform" for "home-sharing host activities" for a specified period of time, and either:

- a. A loss covered under Section **I** makes that part of the "residence premises" used for such "home-sharing host activities" not fit to live in during the period of time specified in such contract or agreement; or
- b. The "insured" or such other person cancels such contract or agreement, provided such cancellation takes place:

(1) During the period of time a National Weather Service hurricane watch or hurricane warning is in effect for any part of the state in which the:

- (a) "Residence premises" is located; or
- (b) Person entering into such contract or agreement with the "insured" resides; or

(2) Within 24 hours of the termination of such hurricane watch or hurricane warning described in Paragraph **b.(1)** of this provision;

we cover the lost rental value of the "home-sharing host activities" specified under such contract or agreement, less any expenses that do not continue while it is not fit to live in.

Payment will be for the shortest period of time agreed upon for "home-sharing host activities" under such contract or agreement.

E. Additional Coverages

Paragraph **E.10. Landlord's Furnishings** is replaced by the following:

10. Landlord's Furnishings

We will pay up to \$2,500 for your appliances, carpeting and other household furnishings, in each apartment on the "residence premises" regularly rented or held for rental to others by an "insured", for loss caused by a Peril Insured Against in Coverage **C**, other than Theft.

This coverage includes, but is not limited to, loss to appliances, carpeting and other household furnishings which results from "home-sharing host activities".

This limit is the most we will pay in any one loss regardless of the number of appliances, carpeting or other household furnishings involved in the loss.

This coverage does not increase the limit of liability applying to the damaged property.

SECTION I – PERILS INSURED AGAINST

B. Coverage C – Personal Property

With respect to the coverage provided by this endorsement, Paragraph **9.b.(3)** is replaced by the following:

9. Theft

b. This peril does not include loss caused by theft:

(3) From that part of a "residence premises" rented by an "insured" to someone other than:

- (a) Another "insured"; or
- (b) A "home-sharing occupant".

However, we will not pay, under this Provision **b.(3)(b)**, for loss by theft of:

- (i) Money, bank notes, bullion, gold, goldware, gold-plated ware, silver, silverware, silver-plated ware, pewterware, platinum, platinumware, platinum-plated ware, coins, medals, scrip, stored value cards and smart cards;

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- (ii) Securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps regardless of the medium (such as paper or computer software) on which the material exists; or
- (iii) Jewelry, watches, furs, precious and semiprecious stones; or

SECTION I – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph **G. Other Insurance And Service Agreement** is replaced by the following:

G. Other Insurance And Service Agreement

1. If a loss covered by this Policy is also covered by:
 - a. Other insurance, except insurance provided by a "home-sharing network platform", we will pay only the proportion of the loss that the limit of liability that applies under this Policy bears to the total amount of insurance covering the loss; or
 - b. A service agreement, protection plan or guarantee, except a service agreement, protection plan or guarantee provided by a "home-sharing network platform", this insurance is excess over any amounts payable under any such agreement.
2. Subject to Paragraph **G.1.**, if, at the time of loss, there is:
 - a. Other insurance;
 - b. A service agreement;
 - c. A protection plan; or
 - d. A guarantee;

provided by, on behalf of, or through a "home-sharing network platform" covering the same property covered by this Policy, this insurance is primary with respect to the amount due under such other insurance, service agreement, protection plan or guarantee.

3. As used in this Paragraph **G.**:
 - a. A service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.
 - b. A protection plan or guarantee means a product provided by a "home-sharing network platform" which provides property damage protection for "home-sharing host activities", even if it is characterized as insurance.

SECTION II – EXCLUSIONS

With respect to the coverage provided by this endorsement, Exclusion **E.2.** is replaced by the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:

- (1) "Home-sharing host activities";
- (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and
 - (b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

SECTION II – ADDITIONAL COVERAGES

With respect to the coverage provided by this endorsement, Paragraph **C. Damage To Property Of Others** is replaced by the following:

C. Home-sharing Host Activities Damage To Property Of Others

1. We will pay, at replacement cost, up to:
 - a. \$1,000; or
 - b. The Home-sharing Host Activities Damage To Property Of Others Limit Of Liability shown in the Schedule;
 whichever is greater, per "occurrence", for "property damage" to property of others:
 - a. Caused by an "insured"; and
 - b. Arising out of "home-sharing host activities".

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2. We will not pay for "property damage":
 - a. To the extent of any amount recoverable under Section I;
 - b. Caused intentionally by an "insured" who is 13 years of age or older;
 - c. To property owned by an "insured";
 - d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
 - e. Arising out of:
 - (1) A "business", other than "home-sharing host activities", engaged in by an "insured";
 - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
 - (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This Exclusion e.(3) does not apply to a "motor vehicle" that:

 - (a) Is designed for recreational use off public roads;
 - (b) Is not owned by an "insured"; and
 - (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

SECTION II – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph H. **Other Insurance** is replaced by the following:

H. Other Insurance

This insurance is:

1. Primary with respect to:
 - a. Other insurance;
 - b. A protection plan; or
 - c. A guarantee;

provided by, on behalf of, or through a "home-sharing network platform" covering "home-sharing host activities".
2. Subject to Paragraph H.1., excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this Policy.

3. As used in this Paragraph H., a protection plan or guarantee means a product provided by, on behalf of, or through a "home-sharing network platform" which provides liability protection for "home-sharing host activities", even if it is characterized as insurance.

SECTIONS I AND II – CONDITIONS

The following provision is added:

Home-sharing Host Activities Verification Requirements

With respect to "home-sharing host activities", we must be provided, as often as we reasonably require, with information concerning the number of:

1. Rental agreements or contracts entered into by an "insured"; and
2. Nights the "residence premises" was occupied, in whole or in part, by "home-sharing occupants".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion 1.g. is replaced by the following:

This insurance does not apply to:

1. "Personal injury":
 - g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

This exclusion does not apply to:

- (1) "Home-sharing host activities";
- (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and

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(b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROADENED HOME-SHARING HOST ACTIVITIES COVERAGE ENDORSEMENT – NORTH CAROLINA

SCHEDULE

Home-sharing Host Activities Damage To Property Of Others	
Limit Of Liability: \$	Per Occurrence
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

DEFINITIONS

A. The following definitions are added:

1. "Home-sharing host activities" means:
 - a. The:
 - (1) Rental or holding for rental; or
 - (2) Mutual exchange of services; of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b. Any other related property or services made available by an "insured" for use during such:
 - (1) Rental; or
 - (2) Mutual exchange of services; except those property or services provided by another party.
2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.

3. "Home-sharing occupant" means a person, other than an "insured", who:

- a. Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or
- b. Is accompanying or staying with a person described in Paragraph 3.a. of this provision under such "home-sharing host activities".

B. In this Policy, the terms:

1. Roomer;
2. Boarder;
3. Tenant; or
4. Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

C. Coverage C – Personal Property

Paragraph f. of 4. Property Not Covered is replaced by the following:

We do not cover:

f. Property of:

- (1) A "home-sharing occupant";
- (2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and
- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

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D. Coverage D – Loss Of Use

With respect to the coverage provided by this endorsement, Paragraph **D.2. Fair Rental Value** is replaced by the following:

2. Lost Rental Value Of "Home-sharing Host Activities"

If an "insured" has entered into a contract or agreement with another person through the use of a "home-sharing network platform" for "home-sharing host activities" for a specified period of time, and either:

- a. A loss covered under Section I makes that part of the "residence premises" used for such "home-sharing host activities" not fit to live in during the period of time specified in such contract or agreement; or
- b. The "insured" or such other person cancels such contract or agreement, provided such cancellation takes place:
 - (1) During the period of time a National Weather Service hurricane watch or hurricane warning is in effect for any part of the state in which the:
 - (a) "Residence premises" is located; or
 - (b) Person entering into such contract or agreement with the "insured" resides; or
 - (2) Within 24 hours of the termination of such hurricane watch or hurricane warning described in Paragraph **b.(1)** of this provision;

we cover the lost rental value of the "home-sharing host activities" specified under such contract or agreement, less any expenses that do not continue while it is not fit to live in.

Payment will be for the shortest period of time agreed upon for "home-sharing host activities" under such contract or agreement.

SECTION I – PERILS INSURED AGAINST

With respect to the coverage provided by this endorsement, Paragraph **9.b.(3)** is replaced by the following:

9. Theft

- b. This peril does not include loss caused by theft:
 - (3) From that part of a "residence premises" rented by an "insured" to someone other than:
 - (a) Another "insured"; or
 - (b) A "home-sharing occupant".

However, we will not pay, under this Provision **b.(3)(b)**, for loss by theft of:

- (i) Money, bank notes, bullion, gold, goldware, gold-plated ware, silver, silverware, silver-plated ware, pewterware, platinum, platinumware, platinum-plated ware, coins, medals, scrip, stored value cards and smart cards;
- (ii) Securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps regardless of the medium (such as paper or computer software) on which the material exists; or
- (iii) Jewelry, watches, furs, precious and semiprecious stones; or

SECTION I – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph **G. Other Insurance And Service Agreement** is replaced by the following:

G. Other Insurance And Service Agreement

1. If a loss covered by this Policy is also covered by:
 - a. Other insurance, except insurance provided by a "home-sharing network platform", we will pay only the proportion of the loss that the limit of liability that applies under this Policy bears to the total amount of insurance covering the loss; or
 - b. A service agreement, protection plan or guarantee, except a service agreement, protection plan or guarantee provided by a "home-sharing network platform", this insurance is excess over any amounts payable under any such agreement.
2. Subject to Paragraph **G.1.**, if, at the time of loss, there is:
 - a. Other insurance;
 - b. A service agreement;
 - c. A protection plan; or
 - d. A guarantee;provided by, on behalf of, or through a "home-sharing network platform" covering the same property covered by this Policy, this insurance is primary with respect to the amount due under such other insurance, service agreement, protection plan or guarantee.

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3. As used in this Paragraph **G.**:
 - a. A service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.
 - b. A protection plan or guarantee means a product provided by a "home-sharing network platform" which provides property damage protection for "home-sharing host activities", even if it is characterized as insurance.

SECTION II – EXCLUSIONS

With respect to the coverage provided by this endorsement, Exclusion **E.2.** is replaced by the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:
 - (1) "Home-sharing host activities";
 - (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and
 - (b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

SECTION II – ADDITIONAL COVERAGES

With respect to the coverage provided by this endorsement, Paragraph **C. Damage To Property Of Others** is replaced by the following:

C. Home-sharing Host Activities Damage To Property Of Others

1. We will pay, at replacement cost, up to:
 - a. \$1,000; or
 - b. The Home-sharing Host Activities Damage To Property Of Others Limit Of Liability shown in the Schedule;

whichever is greater, per "occurrence", for "property damage" to property of others:

 - a. Caused by an "insured"; and
 - b. Arising out of "home-sharing host activities".
2. We will not pay for "property damage":
 - a. To the extent of any amount recoverable under Section **I**;
 - b. Caused intentionally by an "insured" who is 13 years of age or older;
 - c. To property owned by an "insured";
 - d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
 - e. Arising out of:
 - (1) A "business", other than "home-sharing host activities", engaged in by an "insured";
 - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
 - (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This Exclusion **e.(3)** does not apply to a "motor vehicle" that:

 - (a) Is designed for recreational use off public roads;
 - (b) Is not owned by an "insured"; and
 - (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

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SECTION II – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph **H. Other Insurance** is replaced by the following:

H. Other Insurance

This insurance is:

- 1. Primary with respect to:
 - a. Other insurance;
 - b. A protection plan; or
 - c. A guarantee;
 provided by, on behalf of, or through a "home-sharing network platform" covering "home-sharing host activities".
- 2. Subject to Paragraph **H.1.**, excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this Policy.
- 3. As used in this Paragraph **H.**, a protection plan or guarantee means a product provided by, on behalf of, or through a "home-sharing network platform" which provides liability protection for "home-sharing host activities", even if it is characterized as insurance.

SECTIONS I AND II – CONDITIONS

The following provision is added:

Home-sharing Host Activities Verification Requirements

With respect to "home-sharing host activities", we must be provided, as often as we reasonably require, with information concerning the number of:

- 1. Rental agreements or contracts entered into by an "insured"; and
- 2. Nights the "residence premises" was occupied, in whole or in part, by "home-sharing occupants".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion **1.g.** is replaced by the following:

This insurance does not apply to:

- 1. "Personal injury":
 - g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

This exclusion does not apply to:

- (1) "Home-sharing host activities";
- (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and
 - (b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROADENED HOME-SHARING HOST ACTIVITIES COVERAGE ENDORSEMENT – NORTH CAROLINA

SCHEDULE

Home-sharing Host Activities Damage To Property Of Others	
Limit Of Liability: \$	Per Occurrence
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

DEFINITIONS

A. The following definitions are added:

1. "Home-sharing host activities" means:
 - a. The:
 - (1) Rental or holding for rental; or
 - (2) Mutual exchange of services; of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b. Any other related property or services made available by an "insured" for use during such:
 - (1) Rental; or
 - (2) Mutual exchange of services; except those property or services provided by another party.
2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.
3. "Home-sharing occupant" means a person, other than an "insured", who:
 - a. Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or

b. Is accompanying or staying with a person described in Paragraph 3.a. of this provision under such "home-sharing host activities".

B. In this Policy, the terms:

1. Roomer;
2. Boarder;
3. Tenant; or
4. Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

B. Coverage B – Other Structures

With respect to the coverage provided by this endorsement, Paragraphs B.2.b. and B.2.c. are replaced by the following:

2. We do not cover:
 - b. Other structures rented or held for rental to any person other than a:
 - (1) "Home-sharing occupant"; or
 - (2) Tenant of the dwelling; unless used solely as a private garage;
 - c. Other structures from which any "business" is conducted, except structures used primarily for "home-sharing host activities"; or

C. Coverage C – Personal Property

Paragraph f. of 4. Property Not Covered is replaced by the following:

We do not cover:

- f. Property of:
 - (1) A "home-sharing occupant";
 - (2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and

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- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

D. Coverage D – Loss Of Use

With respect to the coverage provided by this endorsement, Paragraph **D.2. Fair Rental Value** is replaced by the following:

2. Lost Rental Value Of "Home-sharing Host Activities"

If an "insured" has entered into a contract or agreement with another person through the use of a "home-sharing network platform" for "home-sharing host activities" for a specified period of time, and either:

- a. A loss covered under Section **I** makes that part of the "residence premises" used for such "home-sharing host activities" not fit to live in during the period of time specified in such contract or agreement; or
- b. The "insured" or such other person cancels such contract or agreement, provided such cancellation takes place:
 - (1) During the period of time a National Weather Service hurricane watch or hurricane warning is in effect for any part of the state in which the:
 - (a) "Residence premises" is located; or
 - (b) Person entering into such contract or agreement with the "insured" resides; or
 - (2) Within 24 hours of the termination of such hurricane watch or hurricane warning described in Paragraph **b.(1)** of this provision;

we cover the lost rental value of the "home-sharing host activities" specified under such contract or agreement, less any expenses that do not continue while it is not fit to live in.

Payment will be for the shortest period of time agreed upon for "home-sharing host activities" under such contract or agreement.

E. Additional Coverages

Paragraph **E.10. Landlord's Furnishings** is replaced by the following:

10. Landlord's Furnishings

We will pay up to \$2,500 for your appliances, carpeting and other household furnishings, in each apartment on the "residence premises" regularly rented or held for rental to others by an "insured", for loss caused only by the following Perils Insured Against:

a. Fire Or Lightning

b. Windstorm Or Hail

This peril includes loss to watercraft of all types and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

c. Explosion

d. Riot Or Civil Commotion

e. Aircraft

This peril includes self-propelled missiles and spacecraft.

f. Vehicles

g. Smoke

This peril means sudden and accidental damage from smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

h. Vandalism Or Malicious Mischief

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i. Falling Objects

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

j. Weight Of Ice, Snow Or Sleet

This peril means weight of ice, snow or sleet which causes damage to property contained in a building.

k. Accidental Discharge Or Overflow Of Water Or Steam

(1) This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

(2) This peril does not include loss:

- (a) To the system or appliance from which the water or steam escaped;
- (b) Caused by or resulting from freezing except as provided in **m. Freezing** below;
- (c) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises"; or
- (d) Caused by mold, fungus or wet rot unless hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

(3) In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

l. Sudden And Accidental Tearing Apart, Cracking, Burning Or Bulging

This peril means sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

m. Freezing

(1) This peril means freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance but only if you have used reasonable care to:

- (a) Maintain heat in the building; or
- (b) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

(2) In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

n. Sudden And Accidental Damage From Artificially Generated Electrical Current

This peril does not include loss to tubes, transistors, electronic components or circuitry that is a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

o. Volcanic Eruption

This peril does not include loss caused by earthquake, land shock waves or tremors.

This coverage includes, but is not limited to, loss to appliances, carpeting and other household furnishings which results from "home-sharing host activities".

This limit is the most we will pay in any one loss regardless of the number of appliances, carpeting or other household furnishings involved in the loss.

This coverage does not increase the limit of liability applying to the damaged property.

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SECTION I – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph **G. Other Insurance And Service Agreement** is replaced by the following:

G. Other Insurance And Service Agreement

1. If a loss covered by this Policy is also covered by:
 - a. Other insurance, except insurance provided by a "home-sharing network platform", we will pay only the proportion of the loss that the limit of liability that applies under this Policy bears to the total amount of insurance covering the loss; or
 - b. A service agreement, protection plan or guarantee, except a service agreement, protection plan or guarantee provided by a "home-sharing network platform", this insurance is excess over any amounts payable under any such agreement.
2. Subject to Paragraph **G.1.**, if, at the time of loss, there is:
 - a. Other insurance;
 - b. A service agreement;
 - c. A protection plan; or
 - d. A guarantee;provided by, on behalf of, or through a "home-sharing network platform" covering the same property covered by this Policy, this insurance is primary with respect to the amount due under such other insurance, service agreement, protection plan or guarantee.
3. As used in this Paragraph **G.**:
 - a. A service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.
 - b. A protection plan or guarantee means a product provided by a "home-sharing network platform" which provides property damage protection for "home-sharing host activities", even if it is characterized as insurance.

SECTION II – EXCLUSIONS

With respect to the coverage provided by this endorsement, Exclusion **E.2.** is replaced by the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:

- (1) "Home-sharing host activities";
- (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and
 - (b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

SECTION II – ADDITIONAL COVERAGES

With respect to the coverage provided by this endorsement, Paragraph **C. Damage To Property Of Others** is replaced by the following:

C. Home-sharing Host Activities Damage To Property Of Others

1. We will pay, at replacement cost, up to:
 - a. \$1,000; or

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- b. The Home-sharing Host Activities Damage To Property Of Others Limit Of Liability shown in the Schedule;

whichever is greater, per "occurrence", for "property damage" to property of others:

- a. Caused by an "insured"; and
- b. Arising out of "home-sharing host activities".

2. We will not pay for "property damage":

- a. To the extent of any amount recoverable under Section I;
- b. Caused intentionally by an "insured" who is 13 years of age or older;
- c. To property owned by an "insured";
- d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
- e. Arising out of:

- (1) A "business", other than "home-sharing host activities", engaged in by an "insured";
- (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
- (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This Exclusion e.(3) does not apply to a "motor vehicle" that:

- (a) Is designed for recreational use off public roads;
- (b) Is not owned by an "insured"; and
- (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

SECTION II – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph H. **Other Insurance** is replaced by the following:

H. Other Insurance

This insurance is:

- 1. Primary with respect to:
 - a. Other insurance;
 - b. A protection plan; or
 - c. A guarantee;

provided by, on behalf of, or through a "home-sharing network platform" covering "home-sharing host activities".

- 2. Subject to Paragraph H.1., excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this Policy.

- 3. As used in this Paragraph H., a protection plan or guarantee means a product provided by, on behalf of, or through a "home-sharing network platform" which provides liability protection for "home-sharing host activities", even if it is characterized as insurance.

SECTIONS I AND II – CONDITIONS

The following provision is added:

Home-sharing Host Activities Verification Requirements

With respect to "home-sharing host activities", we must be provided, as often as we reasonably require, with information concerning the number of:

- 1. Rental agreements or contracts entered into by an "insured"; and
- 2. Nights the "residence premises" was occupied, in whole or in part, by "home-sharing occupants".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion 1.g. is replaced by the following:

This insurance does not apply to:

- 1. "Personal injury":
 - g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

This exclusion does not apply to:

- (1) "Home-sharing host activities";
- (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;

- (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
- (iii) In part, as an office, school, studio or private garage; and

- (b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROADENED HOME-SHARING HOST ACTIVITIES COVERAGE ENDORSEMENT – NORTH CAROLINA

SCHEDULE

Home-sharing Host Activities Damage To Property Of Others	
Limit Of Liability: \$	Per Occurrence
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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DEFINITIONS

A. The following definitions are added:

1. "Home-sharing host activities" means:
 - a. The:
 - (1) Rental or holding for rental; or
 - (2) Mutual exchange of services; of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b. Any other related property or services made available by an "insured" for use during such:
 - (1) Rental; or
 - (2) Mutual exchange of services; except those property or services provided by another party.
2. "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a. Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b. Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.

3. "Home-sharing occupant" means a person, other than an "insured", who:

- a. Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or
- b. Is accompanying or staying with a person described in Paragraph 3.a. of this provision under such "home-sharing host activities".

B. In this Policy, the terms:

1. Roomer;
2. Boarder;
3. Tenant; or
4. Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

C. Coverage C – Personal Property

Paragraph f. of 4. Property Not Covered is replaced by the following:

We do not cover:

f. Property of:

- (1) A "home-sharing occupant";
- (2) Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and
- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

D. Coverage D – Loss Of Use

With respect to the coverage provided by this endorsement, Paragraph **D.2. Fair Rental Value** is replaced by the following:

2. Lost Rental Value Of "Home-sharing Host Activities"

If an "insured" has entered into a contract or agreement with another person through the use of a "home-sharing network platform" for "home-sharing host activities" for a specified period of time, and either:

- a. A loss covered under Section I makes that part of the "residence premises" used for such "home-sharing host activities" not fit to live in during the period of time specified in such contract or agreement; or
- b. The "insured" or such other person cancels such contract or agreement, provided such cancellation takes place:

(1) During the period of time a National Weather Service hurricane watch or hurricane warning is in effect for any part of the state in which the:

- (a) "Residence premises" is located; or
- (b) Person entering into such contract or agreement with the "insured" resides; or

(2) Within 24 hours of the termination of such hurricane watch or hurricane warning described in Paragraph **b.(1)** of this provision;

we cover the lost rental value of the "home-sharing host activities" specified under such contract or agreement, less any expenses that do not continue while it is not fit to live in.

Payment will be for the shortest period of time agreed upon for "home-sharing host activities" under such contract or agreement.

SECTION I – PERILS INSURED AGAINST

Paragraph **9.b.(3)** is replaced by the following:

9. Theft

b. This peril does not include loss caused by theft:

(3) From that part of a "residence premises" rented by an "insured" to someone other than:

- (a) Another "insured"; or
- (b) A "home-sharing occupant".

However, we will not pay, under this Provision **b.(3)(b)**, for loss by theft of:

- (i) Money, bank notes, bullion, gold, goldware, gold-plated ware, silver, silverware, silver-plated ware, pewterware, platinum, platinumware, platinum-plated ware, coins, medals, scrip, stored value cards and smart cards;
- (ii) Securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps regardless of the medium (such as paper or computer software) on which the material exists; or
- (iii) Jewelry, watches, furs, precious and semiprecious stones; or

SECTION I – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph **G. Other Insurance And Service Agreement** is replaced by the following:

G. Other Insurance And Service Agreement

1. If a loss covered by this Policy is also covered by:

a. Other insurance, except insurance:

- (1) Provided by a "home-sharing network platform"; or
- (2) In the name of a corporation or association of property owners;

we will pay only the proportion of the loss that the limit of liability that applies under this Policy bears to the total amount of insurance covering the loss; or

b. A service agreement, protection plan or guarantee, except:

- (1) A service agreement, protection plan or guarantee provided by a "home-sharing network platform"; or
- (2) A service agreement in the name of a corporation or association of property owners;

this insurance is excess over any amounts payable under any such agreement.

2. Subject to Paragraph **G.1.**, if, at the time of loss, there is:

- a. Other insurance;
- b. A service agreement;

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- c. A protection plan; or
- d. A guarantee;

provided by, on behalf of, or through a "home-sharing network platform" covering the same property covered by this Policy, this insurance is primary with respect to the amount due under such other insurance, service agreement, protection plan or guarantee.

3. Subject to Paragraphs **G.1.** and **G.2.**, if, at the time of loss, there is other insurance or a service agreement in the name of a corporation or association of property owners covering the same property covered by this Policy, this insurance is:
 - a. Excess over the amount due under such other insurance or service agreement, whether the corporation or association of property owners has collected that amount or not; and
 - b. Primary with respect to any amount of the loss covered by this Policy and not due under such other insurance or service agreement because of the application of a deductible.
4. As used in this Paragraph **G.**:
 - a. A service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.
 - b. A protection plan or guarantee means a product provided by a "home-sharing network platform" which provides property damage protection for "home-sharing host activities", even if it is characterized as insurance.

SECTION II – EXCLUSIONS

With respect to the coverage provided by this endorsement, Exclusion **E.2.** is replaced by the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:
 - (1) "Home-sharing host activities";
 - (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and
 - (b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

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SECTION II – ADDITIONAL COVERAGES

With respect to the coverage provided by this endorsement, Paragraph **C. Damage To Property Of Others** is replaced by the following:

C. Home-sharing Host Activities Damage To Property Of Others

1. We will pay, at replacement cost, up to:
 - a. \$1,000; or
 - b. The Home-sharing Host Activities Damage To Property Of Others Limit Of Liability shown in the Schedule;
 whichever is greater, per "occurrence", for "property damage" to property of others:
 - a. Caused by an "insured"; and
 - b. Arising out of "home-sharing host activities".
2. We will not pay for "property damage":
 - a. To the extent of any amount recoverable under Section **I**;
 - b. Caused intentionally by an "insured" who is 13 years of age or older;
 - c. To property owned by an "insured";
 - d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
 - e. Arising out of:
 - (1) A "business", other than "home-sharing host activities", engaged in by an "insured";

- (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
- (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This Exclusion e.(3) does not apply to a "motor vehicle" that:

- (a) Is designed for recreational use off public roads;
- (b) Is not owned by an "insured"; and
- (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

SECTION II – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph H. **Other Insurance** is replaced by the following:

H. Other Insurance

This insurance is:

- 1. Primary with respect to:
 - a. Other insurance;
 - b. A protection plan; or
 - c. A guarantee;
 provided by, on behalf of, or through a "home-sharing network platform" covering "home-sharing host activities".
- 2. Subject to Paragraph H.1., excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this Policy.
- 3. As used in this Paragraph H., a protection plan or guarantee means a product provided by, on behalf of, or through a "home-sharing network platform" which provides liability protection for "home-sharing host activities", even if it is characterized as insurance.

SECTIONS I AND II – CONDITIONS

The following provision is added:

Home-sharing Host Activities Verification Requirements

With respect to "home-sharing host activities", we must be provided, as often as we reasonably require, with information concerning the number of:

- 1. Rental agreements or contracts entered into by an "insured"; and

- 2. Nights the "residence premises" was occupied, in whole or in part, by "home-sharing occupants".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion 1.g. is replaced by the following:

This insurance does not apply to:

- 1. "Personal injury":
 - g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

This exclusion does not apply to:

- (1) "Home-sharing host activities";
- (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and
 - (b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BROADENED HOME-SHARING HOST ACTIVITIES COVERAGE ENDORSEMENT – NORTH CAROLINA

SCHEDULE

Home-sharing Host Activities Damage To Property Of Others	
Limit Of Liability: \$	Per Occurrence
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

DEFINITIONS

- A.** The following definitions are added:
- 1.** "Home-sharing host activities" means:
 - a.** The:
 - (1)** Rental or holding for rental; or
 - (2)** Mutual exchange of services; of the "residence premises", in whole or in part, by an "insured" to a "home-sharing occupant" through the use of a "home-sharing network platform"; and
 - b.** Any other related property or services made available by an "insured" for use during such:
 - (1)** Rental; or
 - (2)** Mutual exchange of services; except those property or services provided by another party.
 - 2.** "Home-sharing network platform" means an online-enabled application, web site or digital network that:
 - a.** Is used for the purpose of facilitating, for money, mutual exchange of services or other compensation, the rental of a dwelling or other structure, in whole or in part; and
 - b.** Allows for the agreement and compensation with respect to such rental to be transacted through such online-enabled application, web site or digital network.
 - 3.** "Home-sharing occupant" means a person, other than an "insured", who:
 - a.** Has entered into an agreement or arranged compensation with an "insured" through the use of a "home-sharing network platform" for "home-sharing host activities"; or

- b.** Is accompanying or staying with a person described in Paragraph **3.a.** of this provision under such "home-sharing host activities".

B. In this Policy, the terms:

- 1.** Roomer;
- 2.** Boarder;
- 3.** Tenant; or
- 4.** Guest;

do not include a "home-sharing occupant".

SECTION I – PROPERTY COVERAGES

B. Coverage B – Other Structures

With respect to the coverage provided by this endorsement, Paragraphs **B.2.b.** and **B.2.c.** are replaced by the following:

- 2.** We do not cover:
 - b.** Other structures rented or held for rental to any person other than a:
 - (1)** "Home-sharing occupant"; or
 - (2)** Tenant of the dwelling; unless used solely as a private garage;
 - c.** Other structures from which any "business" is conducted, except structures used primarily for "home-sharing host activities"; or

C. Coverage C – Personal Property

Paragraph **f.** of **4. Property Not Covered** is replaced by the following:

- We do not cover:
- f.** Property of:
 - (1)** A "home-sharing occupant";
 - (2)** Any other person occupying the "residence premises" as a result of any "home-sharing host activities"; and

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- (3) Roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

D. Coverage D – Loss Of Use

With respect to the coverage provided by this endorsement, Paragraph **D.2. Fair Rental Value** is replaced by the following:

2. Lost Rental Value Of "Home-sharing Host Activities"

If an "insured" has entered into a contract or agreement with another person through the use of a "home-sharing network platform" for "home-sharing host activities" for a specified period of time, and either:

- a. A loss covered under Section I makes that part of the "residence premises" used for such "home-sharing host activities" not fit to live in during the period of time specified in such contract or agreement; or
- b. The "insured" or such other person cancels such contract or agreement, provided such cancellation takes place:
 - (1) During the period of time a National Weather Service hurricane watch or hurricane warning is in effect for any part of the state in which the:
 - (a) "Residence premises" is located; or
 - (b) Person entering into such contract or agreement with the "insured" resides; or
 - (2) Within 24 hours of the termination of such hurricane watch or hurricane warning described in Paragraph **b.(1)** of this provision;

we cover the lost rental value of the "home-sharing host activities" specified under such contract or agreement, less any expenses that do not continue while it is not fit to live in.

Payment will be for the shortest period of time agreed upon for "home-sharing host activities" under such contract or agreement.

SECTION I – PERILS INSURED AGAINST

With respect to the coverage provided by this endorsement, Paragraph **9.b.(3)** is replaced by the following:

9. Theft

- b. This peril does not include loss caused by theft:
 - (3) From that part of a "residence premises" rented by an "insured" to someone other than:
 - (a) Another "insured"; or

- (b) A "home-sharing occupant".

However, we will not pay, under this Provision **b.(3)(b)**, for loss by theft of:

- (i) Money, bank notes, bullion, gold, goldware, gold-plated ware, silver, silverware, silver-plated ware, pewterware, platinum, platinumware, platinum-plated ware, coins, medals, scrip, stored value cards and smart cards;
- (ii) Securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps regardless of the medium (such as paper or computer software) on which the material exists; or
- (iii) Jewelry, watches, furs, precious and semiprecious stones; or

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SECTION I – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph **G. Other Insurance And Service Agreement** is replaced by the following:

G. Other Insurance And Service Agreement

- 1. If a loss covered by this Policy is also covered by:
 - a. Other insurance, except insurance provided by a "home-sharing network platform", we will pay only the proportion of the loss that the limit of liability that applies under this Policy bears to the total amount of insurance covering the loss; or
 - b. A service agreement, protection plan or guarantee, except a service agreement, protection plan or guarantee provided by a "home-sharing network platform", this insurance is excess over any amounts payable under any such agreement.
- 2. Subject to Paragraph **G.1.**, if, at the time of loss, there is:
 - a. Other insurance;
 - b. A service agreement;
 - c. A protection plan; or
 - d. A guarantee;
 provided by, on behalf of, or through a "home-sharing network platform" covering the same property covered by this Policy, this insurance is primary with respect to the amount due under such other insurance, service agreement, protection plan or guarantee.

3. As used in this Paragraph **G.**:
 - a. A service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.
 - b. A protection plan or guarantee means a product provided by a "home-sharing network platform" which provides property damage protection for "home-sharing host activities", even if it is characterized as insurance.

SECTION II – EXCLUSIONS

With respect to the coverage provided by this endorsement, Exclusion **E.2.** is replaced by the following:

2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:
 - (1) "Home-sharing host activities";
 - (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and
 - (b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

SECTION II – ADDITIONAL COVERAGES

With respect to the coverage provided by this endorsement, Paragraph **C. Damage To Property Of Others** is replaced by the following:

C. Home-sharing Host Activities Damage To Property Of Others

1. We will pay, at replacement cost, up to:
 - a. \$1,000; or
 - b. The Home-sharing Host Activities Damage To Property Of Others Limit Of Liability shown in the Schedule; whichever is greater, per "occurrence", for "property damage" to property of others:
 - a. Caused by an "insured"; and
 - b. Arising out of "home-sharing host activities".
2. We will not pay for "property damage":
 - a. To the extent of any amount recoverable under Section **I**;
 - b. Caused intentionally by an "insured" who is 13 years of age or older;
 - c. To property owned by an "insured";
 - d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
 - e. Arising out of:
 - (1) A "business", other than "home-sharing host activities", engaged in by an "insured";
 - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
 - (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This Exclusion **e.(3)** does not apply to a "motor vehicle" that:

 - (a) Is designed for recreational use off public roads;
 - (b) Is not owned by an "insured"; and
 - (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

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SECTION II – CONDITIONS

With respect to the coverage provided by this endorsement, Paragraph **H. Other Insurance** is replaced by the following:

H. Other Insurance

This insurance is:

1. Primary with respect to:
 - a. Other insurance;
 - b. A protection plan; or
 - c. A guarantee;provided by, on behalf of, or through a "home-sharing network platform" covering "home-sharing host activities".
2. Subject to Paragraph **H.1.**, excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this Policy.
3. As used in this Paragraph **H.**, a protection plan or guarantee means a product provided by, on behalf of, or through a "home-sharing network platform" which provides liability protection for "home-sharing host activities", even if it is characterized as insurance.

SECTIONS I AND II – CONDITIONS

The following provision is added:

Home-sharing Host Activities Verification Requirements

With respect to "home-sharing host activities", we must be provided, as often as we reasonably require, with information concerning the number of:

1. Rental agreements or contracts entered into by an "insured"; and
2. Nights the "residence premises" was occupied, in whole or in part, by "home-sharing occupants".

The following provision is added:

Personal Injury Coverage

If the Personal Injury Coverage endorsement is made a part of this Policy, Exclusion **1.g.** is replaced by the following:

This insurance does not apply to:

1. "Personal injury":
 - g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

This exclusion does not apply to:

- (1) "Home-sharing host activities";
- (2) With respect to other than "home-sharing host activities":
 - (a) The rental or holding for rental of an "insured location":
 - (i) On an occasional basis if used only as a residence;
 - (ii) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (iii) In part, as an office, school, studio or private garage; and
 - (b) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

All other provisions of this Policy apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL INJURY FOR AIRCRAFT LIABILITY EXCLUDED – NORTH CAROLINA

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SECTION II – EXCLUSIONS

With respect to the Personal Injury Coverage provided by Endorsements **HO 32 82** and **HO 32 10**, the following is added to **Section II – Exclusions** in Endorsements **HO 32 82** and **HO 32 10**:

This insurance does not apply to:

"Aircraft liability".

For the purposes of this exclusion, "aircraft liability" means:

- a. Liability for "personal injury" arising out of the:
 - (1) Ownership of such aircraft by an "insured";
 - (2) Maintenance, occupancy, operation, use, loading or unloading of such aircraft by any person;

(3) Entrustment of such aircraft by an "insured" to any person;

(4) Failure to supervise or negligent supervision of any person involving such aircraft by an "insured"; or

(5) Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such aircraft.

- b. For the purpose of this definition, aircraft means any contrivance used or designed for flight including but not limited to unmanned aircraft, whether or not model or hobby.

All other provisions of this Policy apply.

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