



*First American
Property & Casualty
Insurance Company*

RESIDENT LIABILITY COVERAGE POLICY

As part of a rental agreement, **your** landlord may require **you** to carry liability coverage. This policy satisfies your lease requirement.

Definitions

We, Us, Our:	The insurance carrier as stated on the Policy Declarations page.
You, Your, Yours:	A renter of the residential building unit as stated on the Policy Declarations page, a family member who occupies the residential building unit, or a guest or employee who occupies the residential building unit.
Co-Tenant:	A co-tenant or co-lessor occupying the residential building unit whether or not named in the Policy Declarations or rental agreement.
Bodily Injury:	Bodily harm, sickness or disease, including required care, loss of services and death that results.
Property Damage:	Physical injury to, destruction of, or loss of use of tangible property.
Occurrence:	An accident, including continuous or repeated exposure to substantially the same harmful conditions, which results in bodily injury or property damage .
Business:	A trade, profession or occupation.
Insured Location:	The rented residential building unit as stated on the Policy Declarations page.
Residence Employee:	Your employee , whose duties are related to the maintenance or use of the insured location including household or domestic services or who performs similar duties elsewhere not related to your business .

Personal Liability Coverage

If a claim is made or a suit is brought against **you** for damages due to **bodily injury** or **property damage** caused by an **occurrence**:

1. **We** will pay up to the limit of liability shown on the Declarations page for damages for which **you** are legally liable. Damages include pre-judgment interest.
2. **We** will provide a defense at our expense by counsel of **our** choice. **Our** duty to settle or defend ends when **our** limit of liability has been exhausted by payment of a judgment or settlement.
3. **We** may investigate and settle any claim or suit in a manner that **we** decide is appropriate.

Limit of Liability: **Our** total liability for all damages resulting from any one **occurrence** will not be more than the amount shown on the Declarations page. The limit of liability is the same, regardless of the number of individuals involved, claims made, or persons injured.

Policy Period: This coverage applies only to loss which occurs during the coverage period stated on the Declarations page.

Exclusions: This coverage does not apply to **bodily injury** or **property damage** as follows:

Personal Liability under this policy does not apply to:

1. **Bodily injury** to a **co-tenant** when caused by **you**.
2. **Property damage** to property of a **co-tenant** when caused by **you**.
3. **Bodily Injury** or **Property Damage** :
 - a. Which is expected or intended by **you**.
 - b. Arising out of or in connection with **your business**. This exclusion applies, but is not limited to, an act or omission involving a service or duty rendered, promised, owed, or implied to be provided due to the nature of the **business**.
 - c. Arising out of the rendering of, or failure to render, professional services.
 - d. Arising out of a premises:
 - (1) Owned by **you**;
 - (2) Rented to others by **you** that is not an **insured location**.
 - e. Arising out of:
 - (1) The ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including trailers, owned or operated by or rented or loaned to **you**;
 - (2) The entrustment by **you** of a motor vehicle or any other motorized land conveyance to any person; or
 - (3) Vicarious liability for the actions of a child or minor using a conveyance excluded in paragraph (1) or (2) above.

This exclusion does not apply to:

- (1) A trailer not towed by or carried on a motorized land conveyance.
- (2) A motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and;
 - (a) Not owned by **you**; or
 - (b) Owned by **you**, provided the **occurrence** takes place on an **insured location**.
- (3) A motorized golf cart when used to play golf on a golf course.
- (4) A vehicle or conveyance not subject to motor vehicle registration which is:
 - (a) Designed for assisting the handicapped and, at the time of the **occurrence**, it is:
 - (i) Being used to assist a handicapped person; or
 - (ii) Parked on an **insured location**;
 - (b) Used to service **your** residence; or
 - (c) In dead storage on **your** property.
- f. Arising out of:
 - (1) The ownership, maintenance, use, loading or unloading of an excluded watercraft;
 - (2) The entrustment by **you** of an excluded watercraft to any person; or
 - (3) Vicarious liability for the actions of a child or minor using an excluded watercraft.

Excluded watercraft includes sailing vessels and are propelled by engine power or electric motor, whether owned by or rented to **you**. This exclusion does not apply to watercraft:

- (1) That are not sailing vessels and are powered by any of the following:
 - (a) Inboard or inboard-outdrive engine or motor of 50 horsepower or less not owned by **you**.

- (b) Inboard or inboard-outdrive engine or motor of more than 50 horsepower not owned by or rented to **you**.
 - (c) One or more outboard engines or motors with 25 total horsepower or less.
 - (d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or motor is not owned by **you**.
 - (e) Outboard engines or motors of more than 25 total horsepower owned by **you** if:
 - (i) **You** acquire them prior to the policy period; and
 - (a) **You** declare them at policy inception; or
 - (b) **You** report to **us** in writing your intention to insure within 45 days after **you** acquire the outboard engines or motors.
 - (ii) **You** acquire them during the policy period.
- (2) That are sailing vessels, without auxiliary power:
- (a) Less than 26 feet in length;
 - (b) 26 feet or more in length, not owned by or rented to **you**.
- (3) That are stored.

g. Arising out of:

- (1) The ownership, maintenance, use, loading or unloading of an aircraft.
- (2) **You** entrustment of an aircraft to any person.
- (3) Vicarious liability for the actions of a child or minor using an aircraft.

An aircraft is used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo.

h. Caused directly or indirectly by war, including the following and any consequence of the following:

- (1) Undeclared war, civil war, insurrection, rebellion or revolution.
- (2) Warlike act by a military force or military personnel. Discharge of a nuclear weapon is a warlike act even if accidental.
- (3) Destruction, seizure or use for a military purpose.

i. Which arises out of the transmission of a communicable disease.

j. Arising out of sexual molestation, corporal punishment or physical or mental abuse.

k. Arising out of the use, sale, manufacture, delivery, transfer or possession of a Controlled Substance(s) as defined by the Federal Food and Drug Law. Controlled Substances include, but are not limited to: cocaine, LSD, marijuana and all narcotic drugs. This exclusion does not apply to the use of prescription drugs according to a licensed physician's orders.

Exclusions e., f., and g. do not apply to **bodily injury** to a **residence employee** arising out of and in the course of the **residence employee's** employment by **you**.

4. Liability:

- a. For any loss assessment charged against **you** as a member of an association, corporation or community of property owners;
- b. Under any contract or agreement. However, this exclusion does not apply to written contracts:
 - (1) That directly relate to the ownership, maintenance or use of **your** property; or
 - (2) Where **you** have assumed the liability of others prior to an **occurrence**; unless otherwise excluded in this policy.

5. **Property damage** to property owned by **you**. This includes costs to repair, replace, enhance, restore or maintain property to prevent injury to a person or damage to property of others, whether on or away from an **insured location**.

6. **Property damage** to property rented to, occupied or used by or in the care of **you**. This exclusion does not apply to **property damage** caused by fire, smoke, explosion, or water damage.
7. **Bodily injury** to any person eligible to receive any benefits:
- Voluntarily provided; or
 - Required to be provided under any:
 - Workers' compensation law;
 - Non-occupational disability law; or
 - Occupational disease law
8. **Bodily injury** or **property damage** for which **you**:
- Have insurance under a nuclear energy liability policy; or
 - Would be insured under that policy but for the exhaustion of its limit of liability.
- A nuclear energy liability policy is one issued by:
- American Nuclear Insurers;
 - Mutual Atomic Energy Liability Underwriters;
 - Nuclear Insurance Association of Canada; or any of their successors.
9. Any liability caused by pollutants. A pollutant is 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.

Duties after Loss: In case of an **occurrence**, **you** agree to do the following which apply:

- Give **us** prompt notice as soon as practical. The notice will include the policy number and **your** name.
- Provide information on the time, place, and circumstances of the **occurrence**. Also provide names and addresses of each claimant and witness.
- Forward to **us** in a timely manner each notice, demand, summons or other process relating to the **occurrence**.
- Help **us** in settlement efforts.
- Enforce any right of contribution or indemnity against any party who may be liable to **you**.
- Assist in the conduct of suits (e.g. attend proceedings and help to secure evidence and witness attendance).
- If the **occurrence** involves **property damage** to another party, **you** must:
 - Submit to **us** within 30 days after the loss, a sworn statement of loss; and
 - Show the damaged property, if it is within **your** control.
- You** will not, except as authorized by **us** or at **your** own expense:
 - Voluntarily pay;
 - Assume obligation; or
 - Incur expense other than for first aid to others at the time of **bodily injury**.

If **you** pay or assume obligation, other than reasonably necessary, **we** will not be liable to the extent of such payment or obligation.

Loss Payment: **We** will adjust all losses with **you**. **We** will pay **you** unless some other person is legally entitled to receive payment. Loss will be payable 30 days after **we** receive **your** proof of loss and:

- 1 . Reach an agreement with **you**;
- 2 . A court enters final judgment; or
- 3 . An appraisal award is filed with **us**.

General Conditions

Concealment or Fraud: **We** do not provide coverage if, whether before or after a loss, one or more persons insured under this policy have:

- 1 . Intentionally concealed or misrepresented any material fact or circumstance;
- 2 . Engaged in fraudulent conduct, or;
- 3 . Made false statements.

Suit Against Us: **You** may not file suit against **us** unless **you** have complied with the provisions of this coverage and **you** have started the action within one year after the loss.

Appraisal: If **you** and **we** fail to agree on the amount of loss, then on written request of either, each party shall select an impartial appraiser. Each party shall notify the other of the appraiser selected within 20 days of the request.

When the request is accepted, the two appraisers will select an umpire. If the parties cannot agree upon an umpire within 15 days, **you** or **we** may request that a judge of a court of record in the state where the rented residential unit is located may choose the umpire.

The appraisers will appraise the loss, stating separately the loss to each item. If they fail to agree, they will submit their differences to the umpire. An award in writing, 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.

Your Rights: **Your** rights to coverage are limited to the terms and conditions of this policy.

Cancellation: **You** may cancel coverage under this policy at any time by giving **us** written notice of the effective cancellation date.

We may cancel only for the reasons stated below by letting **you** know in writing of the effective cancellation date. **We** may deliver or mail the cancellation notice to **you** at **your** mailing address shown on the Declarations page. Proof of mailing will be proof of notice.

- 1 . If **you** have not paid the premium, **we** may cancel at any time by letting **you** know at least 10 days before the cancellation date.
- 2 . If this policy has been in effect for less than 60 days and is not a renewal with **us**, **we** may cancel for any reason by letting **you** know at least 10 days before the cancellation date.
- 3 . If this policy has been in effect for 60 days or more, or is a renewal with **us**, **we** may cancel:
 - a. If there has been a material misrepresentation of fact which if known to **us** would cause **us** not to issue the policy; or
 - b. If the risk has changed substantially since the policy was issued.

We may cancel by letting **you** know at least 30 days before the cancellation date.

4 . If this policy is written for a period of more than one year, **we** may cancel for any reason at anniversary by letting **you** know at least 30 days before the cancellation date.

If **we** cancel this policy, **we** will refund the premium for the period from the cancellation date to the expiration date.

We will refund the premium within a reasonable time after the cancellation date.

Nonrenewal: **We** may elect not to renew this policy. **We** may do so by delivering to **you**, or mailing to **you** at **your** mailing address shown on the Declarations page, written notice at least 60 days before the expiration date. Proof of mailing will be proof of notice.

