

**PENNSYLVANIA CRIME INSURANCE PROGRAM
INSURANCE PLACEMENT FACILITY OF PENNSYLVANIA**

530 WALNUT STREET, SUITE 1650
PHILADELPHIA, PA 19106-3698

RESIDENTIAL CRIME INSURANCE POLICY

The Insurance Placement Facility of Pennsylvania herein called the insurer agrees with the Insured named in the application made a part hereof, in consideration of the payment of the premium and reliance upon the statements in the application, and subject to (1) the provisions of the Pennsylvania Revised Code 18 PS §4117 Insurance Fraud Offenses and (2) the limits of insurance, exclusions, conditions, deductibles, and other terms of this policy with respect to the below stated criminal acts;

INSURING AGREEMENTS

I.. Loss by Burglary or Robbery, Including Observed Theft

To pay for loss by burglary or robbery, including observed theft, of all personal property from the premises or in the presence of an Insured.

II. Damage

To pay for damage to the premises and to the insured property by burglary or robbery, including observed theft, or attempt thereof, and for damage to the interior of that portion of any building occupied by the Named Insured's household at the premises and to the insured property therein or away from the premises by vandalism or malicious mischief which occurs during a burglary or robbery; provided that with respect to damage to the building an Insured is the owner thereof or is liable for repairing such damage.

With respect to loss occurring at any part of the premises not occupied exclusively by the Named Insured's household, this Insuring Agreement applies only to property owned or used by an Insured.

III Application of Insurance While the Premises are Rented to Another

Such insurance as is afforded for loss at or damage to the premises applies while the premises are rented by an Insured owner or tenant or another for use as a private residence only, subject to the following provisions:

1. The insurance applies only with respect to property owned by an Insured.

2. The insurance does not apply (a) to money, securities, jewelry, watches, necklaces, bracelets, gems, precious and semiprecious stones, and articles of gold or platinum, furs, fine arts, firearms, antiques, coin or stamp collections, or (b) to loss caused by a tenant of such premises or any of his employees or members of his household.

IV. Application of Insurance While the Premises are Occupied by Three or More Persons Not Related to the Named Insured.

Such insurance as is afforded for loss at or damage to the premises applies while the premises are occupied by three or more persons not related to the Named Insured owner or tenant, subject to the following provisions.

1. The insurance applies only with respect to property owned by the Named Insured.

2. The insurance does not apply (a) to money, securities, jewelry, watches, necklaces, bracelets, gems, precious and semiprecious stones, and articles of gold or platinum, furs, fine arts, firearms, antiques, coin or stamp collections, or (b) to loss caused by a tenant of such premises or any of his employees or members of his household.

V. Removal to Other Premises

If the Named Insured moves to other premises which he intends to occupy permanently as his private residence, such insurance as is afforded for loss at or damage to the premises designated in the Application applies subject to the following provisions.

1. During the moving for a period not to exceed thirty (30) days, the insurance applies at the original premises and at the new premises and to the insured property while in transit.

2. Upon completion of the moving the insurance applies at the new premises and no longer applies at the original premises; provided that all coverage under this policy shall cease at the end of the thirty(30) day period, and the policy shall be deemed cancelled by the Insurer as of such date.

VI. Policy Period, Territory

This policy applies only to loss which occurs during the policy period within the Commonwealth of Pennsylvania

EXCLUSIONS

This Policy does not apply:

- (a) to loss committed by an Insured;
- (b) to loss of (1) any aircraft, motor vehicle (other than motorized equipment designed for service purposes and not licensed for highway use), trailer, boat or the equipment thereof, (2) articles carried or held as samples or for sale or for delivery after sale, or (3) animals, fish or birds;
- (c) to loss sustained by a person not related to an Insured who pays board or rent to an Insured;
- (d) to loss of property pertaining to a business, trade, profession or occupation of an Insured;
- (e) to loss if the premises are not protected in accordance with the Residential Protective Device Warranty;
- (f) to any burglary loss from a motor vehicle;
- (g) to loss while the property is vacant.

CONDITIONS

1. Definitions

- (a) **Named Insured.** "Named Insured" means the Insured named in the application. "Insured" means the Named Insured and any person while a permanent member of the insured's household, including a residence employee; but not including a tenant, who is not related to the Named Insured, the Named Insured's spouse, or any other permanent member of the Named Insured's household, and who pays board or rent to the named insured.
- (b) **Premises.** "Premises" means the premises designated in the application and includes garages and other out-buildings incidental thereto.
- (c) **Burglary.** "Burglary" or "Burglary incident thereto" means the felonious abstraction of insured property from within the premises by a person making felonious entry.
- (d) **Robbery.** "Robbery" or "robbery, including observed theft," means the taking of insured property (1) by violence inflicted on an Insured; (2) by putting an Insured in fear of violence, (3) by any other overt felonious act committed in the insured's presence and of which the Insured was actually cognizant, provided such other act is not committed by an Insured; or (4) from the person in direct care and custody of an Insured who has been killed or rendered unconscious.
- (e) **Money.** "Money" means currency, coins, bank notes, and bullion.
- (f) **Securities.** "Securities" means all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps in current use, tokens, and tickets, but does not include money.
- (g) **Business.** "Business" includes trade, profession, or occupation.
- (h) **Loss.** "Loss" includes damage.
- (i) **Residence employee.** "Residence employee" means an employee of an Insured who performs duties in connection with the maintenance or use of the residence premises, including household or domestic service.

- (j) **Vacant property.** "Vacant Property" means a property "without contents", that is a premises from which all personal property has been removed.
- (k) **Actual Cash Value (ACV).** "Actual Cash Value" means the cost to repair or replace the damaged property less deductions for physical deterioration (Depreciation) and obsolescence.

2. Interests covered. The property covered under this insurance is limited to property that the Insured owns or holds; or for which the Insured is legally liable. The insurance does not apply to the interest in insured property of any person or organization, unless included in the Named Insured's proof of loss.

3. Limits of Liability Settlement Options. The Insurer shall not be liable on account of any loss unless the amount of such loss shall exceed the amount of the deductible described in the Declarations which is made a part of this Policy and the Insurer shall then be liable only for such excess over and above the deductible, subject to and within the limit of insurance covered by the Policy. The limit of the Insurer's liability for loss or damage in any one occurrence shall not exceed the lesser of:

- a. the applicable limit of insurance stated in the Application,
- b. what it would cost at the time of loss to repair or replace the property with other of like kind and quality and age,
- c. the actual cash value thereof at the time of loss;

provided however, that the limit of the Insurer's liability for loss of money is \$200 and for loss of securities is \$500, for loss of firearms is \$500, and for loss of jewelry, including without limitation, watches, necklaces, bracelets, rings, gems, precious and semi-precious stones, and articles of gold, silver or platinum, including flatware and hollowware, furs, fine arts, antiques, coin or stamp collections is \$500 for any one article and \$1,500 in the aggregate per occurrence.

If there is a loss of an article which is part of a pair or set, the measure of loss shall be reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article, but such loss shall not be construed to mean total loss of the pair or set.

The applicable limit of insurance stated in the application is the total limit of the Insurer's liability with respect to all loss of property of one or more persons or organizations arising out of any one occurrence.

All loss incidental to an actual or attempted fraudulent, dishonest, or criminal act or series of related acts at the premises, whether committed by one or more persons, shall be deemed to arise out of one occurrence.

The Insurer may pay for that loss in money or may repair or replace the property and may settle any claim for loss of property either with the named Insured or the owner thereof. Any property so paid for or replaced shall become the property of the Insurer. Any property recovered after settlement of a loss shall be applied first to the expense of the parties in making such recovery, with any balance applied as if the recovery had been made prior to said settlement, and loss readjusted accordingly. The Insured or the Insurer, upon recovery of such property, shall give notice thereof as soon as practicable to the other.

4. Insured's Duties When Loss Occurs. Upon knowledge of loss or of an occurrence which may give rise to a claim for loss, the Insured shall:

- a. give notice thereof as soon as practicable to law enforcement authorities and to the Insurer and
- b. prepare an inventory of stolen or damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory.
- c. as often as the Insurer reasonably requires:
 - (1) show the damaged property;
 - (2) provide records and documents the Insurer requests and permit the Insurer to make copies; and
 - (3) submit to examinations under oath and subscribe the same;
- d. submit to the Insurer within 60 days after we request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - (1) the time and cause of loss;
 - (2) interest of the Insured and all others in the property involved and all encumbrances on the property;

- (3) other insurance which may cover the loss;
 - (4) changes in title or occupancy of the property during the term of the policy;
 - (5) specifications of any damaged building and detailed estimates for repair of the damage;
 - (6) an actual cash value inventory of stolen or damaged personal property described in b. above.
- e. Upon issuance of either a final payment or; a letter of denial, the insured has a 60 day period in which to commence active repairs to the property.
- f. The Insured shall as a condition of continued coverage take reasonable action immediately following the discovery of a loss to protect the premises from further loss, make reasonable and necessary repairs to protect the property and keep an accurate record of repair expenses;

5. Other Insurance. If there is any other valid and collectible insurance which would apply in the absence of this Policy, the insurance under this Policy shall apply only as excess insurance over such other insurance; provided, that the insurance shall not apply; (a) to property which is separately described and enumerated and specifically insured in whole or in part by any other insurance ; or (b) to property otherwise insured unless such property is owned by an Insured.

6. No benefit to Bailee. The insurance afforded by this policy shall not inure directly or indirectly to the benefit of any carrier to bailee.

7. Appraisal. If the Named Insured and the Insurer fail to agree as to the amount of loss, each shall, on the written demand of either made within sixty (60) days after receipt of proof of loss by the Insurer, appoint a competent and disinterested appraiser, and the appraisal shall be made at a reasonable time and place within thirty (30) days after the two appraisers are appointed. If the appraisers fail to agree, they shall jointly select a competent and uninterested third appraiser and submit the question to him within fifteen (15) days thereafter. The first two appraisers shall state separately the actual cash value at time of loss and the amount of the loss. Subsequent agreement in writing by any two of the three appraisers within thirty (30) days after the third appraiser was selected shall be considered by the Insurer in determining the amount of the loss but shall not be considered binding upon him and shall not be admissible as such in court. The Named Insured and the Insurer shall each pay its chosen appraiser and shall bear equally the expenses of the third appraiser and the other expenses of appraisal.

The Insurer shall not be held to have waived any of its rights such as, without limitation, the right to deny liability under the Policy by any act relating to appraisal.

8. Action Against Insurer. No action shall lie against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy, nor until ninety (90) days after the required proofs of loss have been filed with the Insurer, nor at all unless commenced within two years from the date when the Insured first had knowledge of the loss and within one year after the date upon which the claimant received written notice of disallowance or partial disallowance of the claim.

9. Subrogation. In the event of any payment under this Policy, the Insurer shall be subrogated to all the insured's rights of recovery thereof against any person or organization and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Insured shall do nothing after loss to prejudice such rights.

10. Changes. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or estop the Insurer from asserting any right under the terms of this Policy, nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy, as approved by the Insurance Placement Facility of Pennsylvania.

11. Cancellation. The Named Insured may cancel this policy at any time by returning it to the Insurer or by notifying the Insurer in writing of the date the cancellation is to take effect. Except as provided below and by insuring agreement V (2), notice of cancellation by the Insurer shall be mailed to the Named Insured at the address shown in the policy declarations, stating not less than thirty days there after such cancellation shall be effective. This cancellation may be delivered or mailed to the Insured at the mailing address shown in the declarations. Proof of mailing should be sufficient proof of notice. The Insurer may cancel this policy only for the following reasons:

- a. any non-payment of premium,
- b. this policy was obtained through material misrepresentation, fraudulent statements, omissions or concealment of fact material to the acceptance of the risk of the hazard assumed by the insurer,

- c. there has been a substantial change or increase in hazard in the risk assumed by the insurer subsequent to the date the policy was issued,
- d. fraud or misrepresentation in connection with the submission of a claim,
- e. the use of the insured premises with the knowledge of any insured for any illegal activity, or
- f. failure to comply with the provisions of the insurance policy as determined by the insurer and stated in the notice of cancellation.

Cancellations for any of the grounds stated above may, at the discretion of the insurer, be made retroactive to the effective date of the policy.

In the event of cancellation, earned premium shall be computed on a pro rata basis. Premium adjustments may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective. Payment or tender of unearned premium is not a condition of cancellation.

12. Assignment. Policy coverage ceases at the time of ownership change and a policy may not be transferred or assigned to a new owner or tenant, if however, the insured shall die, this Policy shall cover the insured's legal representative as insured.

Policy coverage ceases at the time of any change in the ownership of an insurable interest in the premises specified in the application. Upon receipt of information indicating that such a change in ownership or insurable interest has occurred, the insurer shall issue a notice of cancellation effective the date of such change. Return of premium on a cancelled policy shall be on a pro rata basis.

13. Deductible. The residential crime insurance policy shall be subject to a deductible in the amount of \$100 for each loss occurrence. The face amount of coverage specified in the policy is not reduced by the application of this deductible.

14. Declarations. By signing the Application or by acceptance of this Policy the Named Insured certifies and agrees under penalty of Pennsylvania law dealing with fraud and false representation that the statements in the Application are his agreements and representations, that this Policy is issued in reliance upon the truth of such representations, that he is aware of the applicability of the requirements for protective devices issued by the insurer, and that this Policy and said requirements for protective devices embody all agreements existing between himself and the insurer relating to this insurance.

15. Inspections and Surveys. The insurer has the right but is not obligated to:

- a. make inspections and surveys at any time;
- b. give the insured reports on the conditions we find;
- c. recommend changes.

Any inspections, surveys, reports or recommendations the insurer makes relate only to the eligibility and the insurability of the property and to the premiums to be charged. The insurer does not make safety inspections. The insurer does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. The insurer does not warrant that conditions:

- d. are safe or healthful; or
- e. comply with laws, regulations, codes or standards.

This condition applies not only to the insurer, but also to any rating, advisory, rate service or similar service which make insurance inspections, surveys, reports or recommendations.

16. RESIDENTIAL PROTECTIVE DEVICE WARRANTY

a. The following protective device requirements shall apply to all residential properties:

- (1) Each exterior doorway leading to garage areas, public hallways, terraces, balconies, or other areas affording easy access to the insured premises, shall be protected by a door which, if not a sliding door, shall be equipped with a dead lock using either an interlocking vertical bolt and striker, or a minimum 1/2 inch throw bolt, or a minimum 1/2 inch throw self-locking dead latch;

- (2) All sliding doors, first floor, and basement windows, and windows opening onto stairways, fire escapes, porches, terraces, balconies, of other areas affording easy access to the premises, shall be equipped with a locking device of any kind.

This coverage will be automatically suspended at the insured location if the above requirements are not met.

b. if the declarations indicate an operational burglar alarm on the premises, the following applies:

The insurance will be automatically suspended at the insured location if the Insured fails to notify the Insurer within 24 hours when the insured:

- (1) knows of any suspension or impairment in the burglar alarm.
- (2) fails to maintain the burglar alarm in complete working order.

IN WITNESS WHERE OF, the Insurance Placement Facility of Pennsylvania has accepted the declarations of the insured set forth in the Applications and has caused this policy to be issued.

John M Ogle, General Manager & Insurance Placement Facility of Pennsylvania

Attorney in fact,