

BASIC PERILS PART

PERILS COVERED

When "Basic Perils" is shown on the "declarations", the covered perils are:

1. **Fire or Lightning.**
2. **Explosion.** This includes explosion of gas or fuel in a firebox, combustion chamber, or flue. This peril does not include loss caused by rupturing, bursting, or operating of pressure release devices; or rupturing or bursting due to the expansion of contents of a building or structure due to water.
3. **Sonic Boom.**
4. **Windstorm or Hail.**

"We" do not cover loss:

- a. caused directly or indirectly by frost or cold weather or by ice (other than hail, except as excluded below), sleet or snow, all whether driven by wind or not;
 - b. to the interior of a building or structure, or to property inside a building, structure, or portable storage unit, caused by dust, rain, sand, sleet, snow, or water, all whether driven by wind or not, unless entering through openings made by the direct force of wind or hail; or
 - c. caused by hail to trees, plants, shrubs, or lawns that are installed in a vegetative roof covering.
5. **Smoke.** This includes sudden and accidental loss caused by smoke.

"We" do not cover loss from smoke from industrial operations or agricultural smudging.

6. **Vehicles and Aircraft.** This includes loss caused by actual physical contact of aircraft, objects falling from aircraft, vehicles, or objects thrown by vehicles with covered property. Aircraft includes spacecraft and self-propelled missiles.

"We" do not cover loss caused by vehicles "you" own or lease, or that are operated in the course of "your" business.

7. **Riot or Civil Commotion.** This includes looting and pillaging at the time and place of the riot or civil

commotion. "We" also cover loss caused by striking employees of the owner or tenants while occupying the described premises.

8. **Vandalism.** This means willful and malicious damage to, or destruction of, the described premises.

"We" do not cover loss caused by theft, except for intentional damage done by burglars.

9. **Sprinkler Leakage.** This includes loss caused by leakage or discharge of water or other substances from within a sprinkler system.

"We" cover loss caused by collapse or fall of a tank which is part of a sprinkler system.

"We" cover the costs of repairs or replacement of a covered sprinkler system when damage is caused by freezing or by breakage that results in sprinkler leakage. "We" also cover the reasonable cost of removing and replacing part of the covered building or structure necessary to make repairs.

A sprinkler system is an automatic fire protection system and any nonautomatic fire protection equipment supplied from the sprinkler system.

10. **Sinkhole Collapse.** This means sudden settlement or collapse of earth supporting the covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.

"We" do not cover the value of land; the cost of filling sinkholes; or sinking or collapse of land into man-made underground cavities.

11. **Volcanic Action.** This means:

- a. airborne volcanic blast or airborne shock waves;
- b. ash, dust, or particulate matter; or
- c. lava flow.

All loss that occurs within a 168-hour period will be considered a single loss.

"We" do not cover removal of ash, dust, or particulate matter that does not cause direct physical loss to the described premises.

PERILS EXCLUDED

1. "We" do not pay for loss if one or more of the following exclusions apply to the loss, regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

a. **Ordinance or Law** – Except as provided under the Supplemental Coverage for Increased Costs -- Ordinance or Law, "we" do not cover loss or increased cost caused by enforcement of any code, ordinance, or law regulating the use, construction, or repair of any building or structure; or requiring the demolition of any building or structure including the cost of removing its debris.

b. **Earth Movement** --

1) "We" do not pay for loss or damage caused by earth movement whether the earth movement results from a natural cause, a manmade cause, or a combination thereof.

Manmade causes include but are not limited to:

- a) construction or excavation activities;
- b) blasting;
- c) extracting gas, heat, minerals, oil, steam, water, or any other natural resource, substance, or material from below the earth's surface by any process, including but not limited to:

- (1) hydraulic fracturing;
- (2) mining;
- (3) drilling; or
- (4) geothermal energy extraction;

- d) injecting any natural resource, substance, or material, including but not limited to water and wastewater, below the earth's surface for any purpose;
- e) storing any natural resource, substance, or material, including but not limited to carbon dioxide, below the earth's surface; or
- f) any combination of a) through e) above.

2) In this exclusion, earth movement means any movement of earth, including but not limited to:

- a) earthquake, earth tremor, or earth temblor, including any aftershocks, whether manifested in shaking, ground displacement, or otherwise;
- b) soil liquefaction, whether or not caused by:
 - (1) earthquake;
 - (2) earth tremor; or
 - (3) earth temblor;
- c) land shock waves or tremors before, during, or after the eruption, explosion, or effusion of a volcano;
- d) landslide, mudflow, or mudslide, including the movement of matter present in or carried or otherwise moved by landslide, mudflow, or mudslide;
- e) subsidence; or
- f) any other earth movement, including but not limited to:

- (1) earth sinking, rising, or shifting;
- (2) movement caused by the:

- (a) expansion;
- (b) contraction;
- (c) compaction, whether improper or otherwise;
- (d) freezing;
- (e) thawing; or
- (f) shrinking;

of earth; or

(3) movement caused by:

- (a) erosion; or
- (b) water below the earth's surface.

However, this does not include the peril of sinkhole collapse.

Earth includes but is not limited to ground, soil, sediments, substrates, and strata.

- 3) With respect to earth movement that results from a manmade cause or a combination of natural and manmade causes, this exclusion applies:
- a) whether or not the earth movement results from an error or omission of any person, group, organization, or governmental body or authority;
 - b) whether or not the cause of the earth movement originates on or under covered property; and
 - c) whether or not the earth movement results from activities being performed at the request of an insured or for an insured's benefit.
- 4) This exclusion does not apply to:
- a) direct loss or damage to covered property caused by fire or explosion resulting from earth movement;
 - b) loss or damage caused by the peril of sinkhole collapse or volcanic action; or
 - c) loss or damage caused by theft that is otherwise covered under this perils part.

- c. **Civil Authority** – "We" do not cover loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this policy.

- d. **Nuclear Hazard** – "We" do not cover loss caused by a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by, contributed to or aggravated by a covered peril; and whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct physical loss by fire resulting from the nuclear hazard is covered.
- e. **Utility Failure** – "We" do not cover loss caused by interruption of power or other utility services resulting from any cause if the interruption takes place away from the described premises. Interruption includes reduced or increased voltage, low or high pressure, or other interruptions of normal services.

"We" cover the direct physical loss caused by a covered peril which occurs on the described premises as a result of any power interruption.

- f. **War And Military Action** -- "We" do not cover loss or damage caused directly or indirectly by the following:

- 1) war, including undeclared or civil war; or
- 2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- 3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

With respect to any action that comes within the "terms" of this exclusion and involves nuclear reaction or radiation or radioactive contamination, this War And Military Action exclusion supersedes the Nuclear Hazard exclusion.

- g. **Water** --

- 1) "We" do not cover loss caused by:
 - a) flood; surface water; waves, including but not limited to tidal wave and tsunami; tidal water; tides; overflow of any body of water; or spray from any of these; all whether or not driven by wind. This includes, but is not limited to storm surge, storm tide, and tidal surge;
 - b) water that backs up through, overflows from, or is otherwise discharged from:
 - (1) a sewer or drain;
 - (2) a sump, sump pump, or related equipment; or
 - (3) any other type of system designed to remove subsurface water which is drained from the foundation area;
 - c) water below the surface of the ground. This includes water that exerts pressure on or flows, seeps, or leaks through or into:
 - (1) basements, whether paved or not;
 - (2) doors, windows, or other openings;

- (3) foundations, floors, walls, or paved surfaces; or
 - (4) swimming pools, septic tanks, or other structures; or
- d) material present in or carried or otherwise moved by water described in items a) through c) above.

However, if fire, explosion, or sprinkler leakage results, "we" do cover the resulting loss.

2) This exclusion:

- a) applies regardless of the cause of the water or the material carried or moved by water described under items 1)a) through 1)d) above, whether or not such cause is an act of nature; and
- b) applies but is not limited to water and material present in or carried or moved by water, whether or not driven by wind, that:
 - (1) overtops;
 - (2) escapes from;
 - (3) is released from; or
 - (4) is otherwise discharged from;

a dam, levee, dike, floodgate, seawall, or other device or feature designed or used to retain, contain, or control water.

- h. **Fungus Or Related Perils** -- Except as provided under the Limited Fungus and Related Perils Coverage, "we" do not pay for loss, cost, or expense caused by or relating to the existence of or any activity of "fungus or related perils".

However, "we" do pay for loss that is caused by a covered peril that results from "fungus or related perils".

This exclusion does not apply to loss that results from fire or lightning.

- i. **Virus Or Bacteria** -- "We" do not pay for loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

This exclusion applies to, but is not limited to any loss, cost, or expense as a result of:

- 1) any contamination by any virus, bacterium, or other microorganism; or
- 2) any denial of access to property because of any virus, bacterium, or other microorganism.

This exclusion does not apply to loss that results from fire or lightning.

2. "We" do not pay for loss or damage if one or more of the following exclusions apply to the loss:

- a. **Boiler Explosion** -- "We" do not cover loss caused by explosion of steam boilers, steam pipes, steam turbines, or steam engines that "you" own or lease or that are operated under "your" control. If a fire or combustion explosion results, "we" cover the resulting loss.
- b. **Contamination or Deterioration** -- "We" do not pay for loss caused by contamination or deterioration, including corrosion, rust, or any quality, fault, or weakness in property that causes it to damage or destroy itself.

However, "we" do pay for resulting direct physical loss caused by a covered peril.

- c. **Electrical Currents** -- "We" do not cover loss caused by arcing or by electrical currents other than lightning. If a fire results, "we" cover only the loss caused by fire.
- d. **Increased Hazard** -- "We" do not cover loss occurring while the hazard has been materially increased by any means within "your" knowledge or "your" control.
- e. **Mechanical Breakdown** -- "We" do not cover loss caused by mechanical breakdown or rupturing or bursting of moving parts of machinery caused by centrifugal force. If loss caused by a covered peril results, "we" cover the resulting loss.
- f. **Neglect** -- "We" do not cover loss caused by "your" neglect to use all reasonable means to save covered property at and after the time of loss.

"We" do not cover loss caused by "your" neglect to use all reasonable means to save and preserve covered property when endangered by a covered peril.

- g. **Rupturing or Bursting** – "We" do not cover loss caused by rupturing or bursting of water pipes (other than sprinkler systems) unless caused by a covered peril.
- h. **Smog, Smoke, Vapor, or Gas** – "We" do not cover loss caused by smog, smoke, vapor, or gas from agricultural smudging or industrial operations unless caused by a covered peril.
- i. **Water Damage** – "We" do not cover loss caused by accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing water or steam other than a sprinkler system, unless the system or appliance is damaged by a covered peril.
- j. **Wear and Tear** – "We" do not cover loss caused by wear and tear, marring, or scratching unless caused by a covered peril.