

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – TEXAS

DEFINITIONS

B. Business day is added:

Business day means a day other than a Saturday, Sunday, or holiday recognized by the state of Texas.

SECTION II – EXCLUSIONS

4. Intentional Loss is deleted and replaced by:

4. a. Intentional Loss, meaning any loss arising out of any act an insured commits or conspires to commit with intent to cause a loss.

In the event of such loss, no insured is entitled to coverage even insureds who did not commit or conspire to commit the act causing the loss.

b. However, this exclusion does not apply to an insured who did not cooperate in or contribute to the creation of the loss if that insured has:

- i. Filed a police report; and
- ii. Cooperated with law enforcement investigation or prosecution relating to any other insured causing the intentional loss.

c. If we pay a claim pursuant to Paragraph 4.b., our payment to the insured is limited to that insureds insurable interest in the property less any payments we first made to a mortgagee or other party with a secured interest in the policy. In no event will we pay more than the limit of liability. As a condition of payment for intentional loss caused by another insured under this exception to the exclusion, we may require an assignment of rights of recovery to the extent that payment is made by us.

SECTION III – DUTIES IN THE EVENT OF LOSS OR DAMAGE

4. is deleted and replaced by:

4. Submit to us, within ninety (90) days after discovery of the loss, your signed, sworn statement of loss, and, if the loss involves theft, attempted theft, vandalism or malicious mischief, the police report.

9. Our Duties After Loss is added:

9. Our Duties After Loss.

a. No later than 15 days after we receive your written notice of claim, we must:

i. Acknowledge receipt of the claim; if our acknowledgment of the claim is not in writing, we will keep a record of the date, means and content of our acknowledgment;

ii. Begin any investigation of the claim;

iii. Specify the information you must provide in accordance with the provisions contained in **DUTIES IN THE EVENT OF LOSS OR DAMAGE**;

We may request more information, if during the investigation of the claim such additional information is necessary.

b. After we receive the information we request, we must notify you in writing whether the claim will be paid or has been denied or whether more information is needed:

i. Within 15 business days; or

ii. Within 30 days if we have reason to believe the loss resulted from arson;

c. If we do not approve payment of your claim or require more time for processing your claim, we must:

i. Give the reason for denying your claim; or

ii. Give the reasons we require more time to process your claim. But we must either approve or deny your claim within 45 days after requesting more time.

d. In the event of a weather-related catastrophe or major natural disaster as defined by the Texas Department of Insurance, the claim-handling deadlines as stated above are extended for an additional 15 days.

e. Loss Payment

i. If we notify you that we will pay your claim, or part of your claim we must pay within 5 business days after we notify you.

ii. If payment of your claim or part of your claim requires the performance of an act by you, we must pay within 5 business days after the date you perform the act.

- f. Notice of Settlement of Liability Claim
- i. **We** will notify the **insured** in writing of any initial offer to compromise or settle a claim against the **insured** under this policy. **We** will give notice within 10 days after the date the offer is made.
 - ii. **We** will notify the **insured** in writing of any settlement of a claim against the **insured** under this policy. **We** will give notice within 30 days after the date of settlement.

SECTION IV – CONDITIONS

1. **Concealment or Fraud** is amended as follows:

This provision is in accordance with the Texas Insurance Code, Chapter 705, Subchapter A.

2. **Suit Against Us** is deleted and replaced by the following:

Suit Against Us. No action can be brought against **us** unless there has been full compliance with all of the terms of this policy and the action is

started within two years and one day after the cause of action accrues.

3. **Cancellation** is deleted and replaced by the following:

Cancellation. **We** may cancel this policy for nonpayment of premium by letting **you** know in writing the day cancellation takes effect. **We** may do so by delivering to **you**, or by mailing to **you**, at **your** mailing address shown in the Declarations written notice at least fifteen (15) days before cancellation takes effect. Proof of mailing shall be sufficient proof of notice.

4. **Appraisal.** The Appraisal provision is deleted.

5. **Premium.** The following provision is added:

Premium. Premium is fully earned at inception of the policy.

All other provisions of the policy apply.