You're Amazing.

SAMPLE

You're now part of a special group of people, who participate in making history. Together, we'll be able to make insurance an honest, simple and fun experience.

Thanks for joining, we're sure you're gonna love it here :)

Lemonade

© Copyright 2017 by LEMONADE INSURANCE COMPANY (a stock company) | 5 Crosby St. 3rd floor, New York, NY 10013 | help@lemonade.com | LEM-DEC-02-TX

Lemonade

5 Crosby St., New York, NY 10013

RENTERS POLICY DECLARATIONS

POLICY NUMBER	POLICY START DATE	POLICY EXPIRES ON
LP7257A5624	May 01, 2024 12:01am	May 01, 2025 12:01am

NAME OF INSURED	INSURED PROPERTY ADDRESS	INSURED EMAIL
John Doe	9669 Forest Ln, Apt. 200, Dallas, TX, 75243	John.Doe@email.com

COVERAGE SUMMARY

COVERAGE	MAXIMUM AMOUNT	COST
Personal Property	$30,000	Included
Loss Of Use	$9,000	Included
Personal Liability	$100,000	Included
Medical Payments To Others	$1,000	Included
Portable Electronics	$1,500	Included
$500 Deductible		-$14
Total Premium		**$255 ($21.25/mo)**

© Copyright 2017 by LEMONADE INSURANCE COMPANY (a stock company) | 5 Crosby St., New York, NY 10013 | help@lemonade.com | LEM-DEC-02-TX

DOCUMENTS ATTACHED TO THIS POLICY	
FORM NUMBER	FORM NAME
LEM 04 05 23	Lemonade Renters Form
LEM-2008 (08-23)	Special Provisions - Texas
LEM-3004 (03-23)	Canine Liability Exclusion Endorsement
LEM-3002 (02-20)	Swimming Pool, Diving Board, and Slide Liability Exclusion
LEM-3003 (02-20)	Trampoline Liability Exclusion
IL N 178 03 13	Texas Period to File a Claim Notice or Bring Legal Action Against Us Notice - Windstorm or Hail - Catastrophe Area
IL N 001 09 03	Fraud Statement
IL P 001 01 04	OFAC (Office of Foreign Assets Control) Notice
LEM-TXNOTICE01 (03-23)	Important Notice
LEM-TXNOTICE02 (06-17)	Policyholder Disclosure Notice
LEM-TX-NOTICE-04 (03-24)	Consumer Bill of Rights
LEM-TX-NOTICE-03 (05-22)	Flood Notice
LEM-3007 (11-22)	Ineligible Firearm Exclusion
PC328 CD-1 0710	Credit Information Disclosure
LEM-3017 (10-21)	Personal Property Replacement Cost Loss Settlement Endorsement
LEM-3019 (04-22)	Inflation Protection Coverage
LEM-NOTICE-PAYMENT (04-23)	Payments Notice

SAMPLE

If you would like a copy of your policy, it is available for you to view and print on our Lemonade Insurance mobile app. You may obtain a paper copy of your policy at no charge by either emailing us at help@lemonade.com, or writing to us at Lemonade Insurance, 5 Crosby St., New York, NY 10013

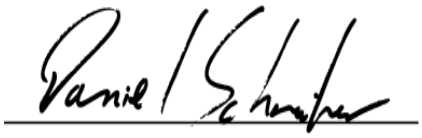
© Copyright 2017 by LEMONADE INSURANCE COMPANY (a stock company) | 5 Crosby St., New York, NY 10013 | help@lemonade.com | LEM-DEC-02-TX

Lemonade

RENTERS POLICY

SAMPLE

In witness whereof, Lemonade Insurance Company has caused this policy to be signed by its president and secretary.



Daniel Schreiber
President and CEO



Scott Fischer
Secretary

© Copyright 2017 by LEMONADE INSURANCE COMPANY (a stock company) | 5 Crosby St., New York, NY 10013 | help@lemonade.com | LEM-DEC-02-TX

LEMONADE RENTERS FORM
TABLE OF CONTENTS

SAMPLE

AGREEMENT	2
DEFINITIONS	2
SECTION I - PROPERTY COVERAGES	4
A. Coverage C – Personal Property	4
B. Coverage D – Loss Of Use	5
C. Additional Coverages	6
SECTION I - PERILS INSURED AGAINST	7
SECTION I - EXCLUSIONS	9
SECTION I - CONDITIONS	11
A. Insurable Interest And Limit Of Liability	11
B. Deductible	11
C. Duties After Loss	11
D. Loss Settlement	11
E. Loss To A Pair Or Set	13
F. Appraisal	13
G. Other Insurance And Service Agreement	13
H. Suit Against Us	13
I. Our Option	13
J. Loss Payment	13
K. Abandonment Of Property	14
L. No Benefit To Bailee	14
M. Recovered Property	14
N. Volcanic Eruption Period	14
O. Policy Period	14
P. Concealment Or Fraud	14
Q. Loss Payable Clause	14
SECTION II – LIABILITY COVERAGES	14
A. Coverage E – Personal Liability	14
B. Coverage F – Medical Payments To Others	14
SECTION II - EXCLUSIONS	15
SECTION II – ADDITIONAL COVERAGES	17
SECTION II - CONDITIONS	18
A. Limit Of Liability	18
B. Severability Of Insurance	18
C. Duties After “Occurrence”	18
D. Duties Of An Injured Person – Coverage F – Medical Payments To Others	19
E. Payment Of Claim – Coverage F – Medical Payments To Others	19
F. Suit Against Us	19
G. Bankruptcy Of An “Insured”	19
H. Other Insurance	19
I. Policy Period	19
J. Concealment or Fraud	19
SECTIONS I AND II – CONDITIONS	19
A. Liberalization Clause	19
B. Waiver Or Change Of Policy Provisions	20
C. Cancellation	20
D. Nonrenewal	20
E. Assignment	20
F. Subrogation	20
G. Death	20

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

SAMPLE

LEMONADE RENTERS FORM

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

A. In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.

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, aircraft used or designed to carry people or cargo, model aircraft, drones or hobby aircraft;

(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.

2. "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.

3. "Business" means:

a. A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or

b. Any other activity engaged in for money or other compensation, except the following:

(1) One or more activities, not described in **(2)** through **(4)** below, for which no "insured" receives more than $2,000 in total compensation for the 12 months before the beginning of the policy period;

(2) Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;

(3) Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or

(4) The rendering of home day care services to a relative of an "insured".

4. "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".

5. "Insured" means:

a. You and residents of your household who are:

(1) Your relatives; or

(2) Other persons under the age of 21 and in your care or the care of a resident of your household who is your relative;

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

b. A student enrolled in school full-time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:

(1) 24 and your relative; or

(2) 21 and in your care or the care of a resident of your household who is your relative; or

c. Under Section **II**, with respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person described in **5.a.** or **b.** "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner.

Under both Sections **I** and **II,** when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

6. "Insured location" means:

a. The "residence premises";

b. The part of other premises, other structures and grounds used by you as a residence; and

(1) Which is shown in the Declarations; or

(2) Which is acquired by you during the policy period for your use as a residence;

c. Any premises used by you in connection with a premises described in **a.** and **b.** above;

d. Any part of a premises:

(1) Not owned by an "insured"; and

(2) Where an "insured" is temporarily residing;

e. Vacant land, other than farm land, owned by or rented to an "insured";

f. Land owned by or rented to an "insured" on which a one-, two-, three- or four-family dwelling is being built as a residence for an "insured";

g. Individual or family cemetery plots or burial vaults of an "insured"; or

h. Any part of a premises occasionally rented to an "insured" for other than "business" use.

7. "Motor vehicle" means:

a. A self-propelled land or amphibious vehicle of any kind, including, but not limited to hoverboards, powered scooters, mini-bikes, E-bikes, or motorcycles; or

b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.

8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:

a. "Bodily injury"; or

b. "Property damage".

9. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

10. "Residence employee" means:

a. An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "residence premises", including household or domestic services; or

b. One who performs similar duties elsewhere not related to the "business" of an "insured".

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.

11. "Residence premises" means:

a. An apartment unit or

b. That part of any other building;

where you reside and which is shown as the "residence premises" in the Declarations.

"Residence premises" also includes other structures and grounds at that location.

SAMPLE

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

SAMPLE

SECTION I – PROPERTY COVERAGES

A. Coverage C – Personal Property

1. Covered Property

We cover personal property owned or used by an "insured" while it is anywhere in the world. After a loss and at your request, we will cover personal property owned by:

a. Others while the property is on the part of the "residence premises" occupied by an "insured"; or

b. A guest (who is not a roomer or boarder in the “residence premises”) or a "residence employee", while the property is in any residence occupied by an "insured".

2. Limit For Property At Other Locations

a. Other Residences

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises", is 10% of the limit of liability for Coverage **C,** or $1,000, whichever is greater. However, this limitation does not apply to personal property:

(1) Moved from the "residence premises" because it is:

(a) Being repaired, renovated or rebuilt; and

(b) Not fit to live in or store property in; or

(2) In a newly acquired principal residence for 30 days from the time you begin to move the property there.

b. Self-storage Facilities

Our limit of liability for personal property owned or used by an "insured" and located in a self-storage facility is $1,000. However, this limitation does not apply to personal property:

(1) Moved from the "residence premises" because it is:

(a) Being repaired, renovated or rebuilt; and

(b) Not fit to live in or store property in; or

(2) Usually located in an "insured's" residence, other than the "residence premises".

3. Special Limits Of Liability

The special limit for each category shown below is the total limit for each loss for all property in that category. These special limits do not increase the Coverage **C** limit of liability.

a. $200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, electronic currency, cryptocurrency, virtual assets, medals, scrip, stored value cards and smart cards.

b. $1,500 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

This limit includes the cost to research, replace or restore the information from the lost or damaged material.

c. $1,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors.

d. $1,500 on trailers or semitrailers not used with watercraft of all types.

e. $1,500 for loss by theft of jewelry, watches, furs, precious and semiprecious stones.

f. $2,500 for loss by theft of firearms and related equipment.

g. $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.

h. $2,500 on property, on the "residence premises", used primarily for "business" purposes.

i. $1,500 on property, away from the "residence premises", used primarily for "business" purposes.

j. $1,500 on portable electronic equipment, which include:

(1) Laptop computers;

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

SAMPLE

(2) Mobile phones, including smart phones;

(3) Tablets;

(4) E-readers;

(5) Handheld game consoles;

(6) Personal navigation devices;

(7) Electronic health or fitness monitoring devices;

(8) Portable media players, including wireless devices designed to be connected to the internet;

(9) Headphones, earbuds and other audio peripherals designed to be used with the equipment listed in **j.(1)-(8)**.

k. $1,500 on model or hobby aircraft not used or designed:

(1) To carry people or cargo; or

(2) For “business”.

4. Property Not Covered

We do not cover:

a. Articles separately described and specifically insured, regardless of the limit for which they are insured, in this or other insurance;

b. Animals, birds or fish;

c. "Motor vehicles". This includes a "motor vehicle's" equipment and parts;

d. Aircraft, meaning any contrivance used or designed for flight, including any parts whether or not attached to the aircraft. We do cover model or hobby aircraft, other than drones, not used or designed to carry people or cargo as provided in **C.3. Special Limits of Liability**, paragraph **k.** under **Section I – Property Coverages**;

e. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;

f. Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured" by marriage, blood or adoption;

g. Property in an apartment regularly rented or held for rental to others by an "insured";

h. Property rented or held for rental to others off the "residence premises";

i. "Business" data, including such data stored in:

(1) Books of account, drawings or other paper records; or

(2) Computers and related equipment.

We do cover the cost of blank recording or storage media and of prerecorded computer programs available on the retail market;

j. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds except as provided in **C.4.** Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section **I** – Property Coverages; or

k. Water or steam.

B. Coverage D – Loss Of Use

The limit of liability for Coverage **D** is the total limit for the coverages in **1.** Additional Living Expense, **2.** Fair Rental Value and **3.** Civil Authority Prohibits Use below.

1. Additional Living Expense

If a loss by a Peril Insured Against under this policy to covered property or the building containing the property makes the "residence premises" not fit to live in, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living for up to 24 months.

Payment will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

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.

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

3. Civil Authority Prohibits Use

If a civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against, we cover the loss as provided in **1.** Additional Living Expense and **2.** Fair Rental Value above for no more than two weeks.

4. Loss Or Expense Not Covered

We do not cover loss or expense due to cancellation of a lease or agreement.

The periods of time under **1.** Additional Living Expense, **2.** Fair Rental Value and **3.** Civil Authority Prohibits Use above are not limited by expiration of this policy.

C. Additional Coverages

1. 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. This coverage does not:

(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 **C.4.** under Section **I** – Conditions.

2. Fire Department Service Charge

We will pay up to $500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

This coverage is additional insurance. No deductible applies to this coverage.

3. Property Removed

We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed.

This coverage does not change the limit of liability that applies to the property being removed.

4. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money

a. We will pay up to $500 for:

(1) The legal obligation of an "insured" to pay because of the theft or unauthorized use of credit cards issued to or registered in an "insured's" name;

(2) Loss resulting from theft or unauthorized use of an electronic fund transfer card or access device used for deposit, withdrawal or transfer of funds, issued to or registered in an "insured's" name;

(3) Loss to an "insured" caused by forgery or alteration of any check or negotiable instrument; and

(4) Loss to an "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

This coverage is additional insurance. No deductible applies to this coverage.

b. We do not cover:

(1) Use of a credit card, electronic fund transfer card or access device:

(a) By a resident of your household;

(b) By a person who has been entrusted with either type of card or access device; or

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

SAMPLE

(c) If an "insured" has not complied with all terms and conditions under which the cards are issued or the devices accessed; or

(2) Loss arising out of "business" use or dishonesty of an "insured".

c. If the coverage in **a.** above applies, the following defense provisions also apply:

(1) We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.

(2) If a suit is brought against an "insured" for liability under **a.(1)** or **(2)** above, we will provide a defense at our expense by counsel of our choice.

(3) We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under **a.(3)** above.

5. Collapse

We insure for direct physical loss to covered property involving abrupt collapse of a building or any part of a building if such collapse was caused by one or more of the following:

a. The Perils Insured Against named under Coverage **C;**

b. Decay, of a building or any part of a building, that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;

c. Insect or vermin damage, to a building or any part of a building, that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;

d. Weight of contents, equipment, animals or people;

e. Weight of rain which collects on a roof; or

f. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

6. Building Additions and Alterations

We cover under Coverage **C** the building improvements or installations, made or acquired at your expense, to that part of the "residence premises" used exclusively by you. The limit of liability for this coverage will not be more than 10% of the limit of liability that applies to Coverage **C**.

This coverage is additional insurance.

7. Loss Assessment

a. We will pay up to $1,000 for your share of loss assessment charged during the policy period against you, as owner or tenant of the "residence premises", by a corporation or association of property owners. The assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage C, other than:

(1) Earthquake; or

(2) Land shock waves or tremors before, during or after a volcanic eruption.

The limit of $1,000 is the most we will pay with respect to any one loss, regardless of the number of assessments. We will only apply one deductible, per unit, to the total amount of any one loss to the property described above, regardless of the number of assessments.

b. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

c. Paragraph **O.** Policy Period under Section **I** – Conditions does not apply to this coverage.

This coverage is additional insurance.

8. Grave Markers

We will pay up to $5,000 for grave markers, including mausoleums, on or away from the "residence premises" for loss caused by a Peril Insured Against.

This coverage does not increase the limits of liability that apply to the damaged covered property.

SECTION I – PERILS INSURED AGAINST

We insure for direct physical loss to the property described in Coverage **C** caused by any of the following perils unless the loss is excluded in Section **I** – Exclusions.

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

1. **Fire Or Lightning**
2. **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.
3. **Explosion**
4. **Riot Or Civil Commotion**
5. **Aircraft**

   This peril includes self-propelled missiles and spacecraft.
6. **Vehicles**
7. **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.
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 the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.
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"; or
     - **(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.
10. **Falling Objects**

    This peril does not include loss to the property contained in the 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.
11. **Weight Of Ice, Snow Or Sleet**

    This peril means weight of ice, snow or sleet which causes damage to the property contained in the building.
12. **Accidental Discharge Or Overflow Of Water Or Steam**
    - **a.** 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.
    - **b.** This peril does not include loss:
      - **(1)** To the system or appliance from which the water or steam escaped;
      - **(2)** Caused by or resulting from freezing except as provided in Peril Insured Against **14.** Freezing;

SAMPLE

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

SAMPLE

(3) On the "residence premises" caused by accidental discharge or overflow which occurs away from the building where the "residence premises" is located; or

(4) 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.

c. 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.

d. Section **I** – Exclusion **A.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 this peril.

13. 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.

This peril does not include loss caused by or resulting from freezing except as provided in Peril Insured Against **14.** Freezing below.

14. Freezing

a. 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:

(1) Maintain heat in the building; or

(2) 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.

b. 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.

15. Volcanic Eruption

This peril does not include loss caused by earthquake, land shock waves or tremors.

SECTION I – EXCLUSIONS

We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris.;

b. The requirements of which result in a loss in value to property; or

c. Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

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.

This Exclusion **1.** applies whether or not the property has been physically damaged.

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 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.

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

3. Water

This means:

a. Flood, surface water, waves, including tidal wave and tsunami, 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, whether located on or off the “residence premises”;

b. 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

c. 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 or is otherwise caused.

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.

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

4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the "residence premises". But if the failure results in a loss from a Peril Insured Against on the "residence premises", we will pay for the loss caused by that peril.

5. Neglect

Neglect means neglect of an "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

6. War

War includes the following and any consequence of any of the following:

a. Undeclared war, civil war, insurrection, rebellion or revolution;

b. Warlike act by a military force or military personnel; or

c. Destruction, seizure or use for a military purpose.

d. Accidental or intentional discharge of a nuclear, chemical or electromagnetic weapon.

SAMPLE

7. 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.

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.

8. Governmental Action

Governmental Action means the destruction, confiscation or seizure of property described in Coverage **C** by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy.

9. Electronic Vandalism

Electronic Vandalism means:

a. Willful or malicious destruction of computer programs, content, instructions or other electronic or digital data stored within computer systems.

b. Unauthorized computer code or programming that:

(1) Deletes, distorts, corrupts or manipulates computer programs, content, instructions or other electronic or digital data, or otherwise results in damage to computers or computer systems or networks to which it is introduced;

(2) Replicates itself, impairing the performance of computers or computer systems or networks; or

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

(3) Gains remote control access to data and programming within computers or computer systems or networks to which it is introduced.

SECTION I – CONDITIONS

A. Insurable Interest And Limit Of Liability

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

1. To an "insured" for more than the amount of such "insured's" interest at the time of loss; or

2. For more than the applicable limit of liability.

B. Deductible

Unless otherwise noted in this policy, the following deductible provision applies, with respect to any one loss:

1. Subject to the applicable limit of liability, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.

2. If two or more deductibles under this policy apply to the loss, only the highest deductible amount will apply.

C. Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:

1. Give prompt notice to us or our agent;

2. Notify the police in case of loss by theft;

3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in **C.4.** Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section **I** – Property Coverages;

4. Protect the property from further damage. If repairs to the property are required, you must:

a. Make reasonable and necessary repairs to protect the property; and

b. Keep an accurate record of repair expenses;

5. Cooperate with us in the investigation of a claim;

6. Prepare an inventory of 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;

7. As often as we reasonably require:

a. Show the damaged property;

b. Provide us with records and documents we request and permit us to make copies; and

c. Submit to examination under oath, while not in the presence of another "insured", and sign the same;

8. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:

a. The time and cause of loss;

b. The interests of all "insureds" and all others in the property involved and all liens on the property;

c. Other insurance which may cover the loss;

d. Changes in title or occupancy of the property during the term of the policy;

e. Specifications of damaged buildings and detailed repair estimates;

f. The inventory of damaged personal property described in **6.** above;

g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and

h. Evidence or affidavit that supports a claim under **C.4.** Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section **I** – Property Coverages, stating the amount and cause of loss.

D. Loss Settlement

1. Eligible Property

SAMPLE

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

a. Covered losses to the following property are settled at replacement cost at the time of the loss:

(1) Coverage **C;** and

(2) If covered in this policy:

(a) Awnings, outdoor antennas and outdoor equipment; and

(b) Carpeting and household appliances

whether or not attached to buildings.

b. This method of loss settlement will also apply to the following articles or classes of property if they are separately described and specifically insured in this policy and not subject to agreed value loss settlement:

(1) Jewelry;

(2) Furs and garments:

(a) Trimmed with fur; or

(b) Consisting principally of fur;

(3) Cameras, projection machines, films and related articles of equipment;

(4) Musical equipment and related articles of equipment;

(5) Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding:

(a) Pens or pencils;

(b) Flasks;

(c) Smoking implements; or

(d) Jewelry; and

(6) Golfer's equipment meaning golf clubs

SAMPLE

Personal Property Replacement Cost loss settlement will not apply to other classes of property separately described and specifically insured.

2. Ineligible Property

Property listed below is not eligible for replacement cost loss settlement. Any loss will be settled at actual cash value at the time of loss but not more than the amount required to repair or replace.

a. Antiques, fine arts, paintings and similar articles of rarity or antiquity, which cannot be replaced.

b. Memorabilia, souvenirs, collectors items and similar articles, whose age or history contribute to their value.

c. Articles not maintained in good or workable condition.

d. Articles that are outdated or obsolete and are stored or not being used.

3. Replacement Cost Loss Settlement Condition

The following loss settlement condition applies to all property described in **1.** above:

a. We will pay no more than the least of the following amounts:

(1) Replacement cost at the time of loss without deduction for depreciation;

(2) The full cost of repair at the time of loss;

(3) The limit of liability that applies to Coverage C, if applicable;

(4) Any applicable special limits of liability stated in this policy; or

(5) For loss to any item described in **1.b.(1) – (6)** above, the limit of liability that applies to the item.

b. If the cost to repair or replace the property described in 1. above is more than $500, we will pay no more than the actual cash value for the loss until the actual repair or replacement is complete.

c. You may make a claim for loss on an actual cash value basis and then make claim for any additional liability in accordance with this endorsement provided you notify us, within 180 days after the date of the loss, of your intent to repair or replace the damaged property.

4. Covered property losses are settled at Replacement Cost value at the time of loss but not more than the amount required to repair or replace.

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

SAMPLE

E. Loss To A Pair Or Set

In case of loss to a pair or set we may elect to:

1. Repair or replace any part to restore the pair or set to its value before the loss; or
2. Pay the difference between actual cash value of the property before and after the loss.

F. Appraisal

1. If you and we fail to agree on the amount of loss, either party, only you or we, may make a written demand that the amount of the loss be set by appraisal. The party seeking appraisal must provide the other party with written, itemized documentation of a specific dispute as to the amount of the loss, identifying separately each item being disputed.
2. Each party will select a competent, disinterested appraiser and notify the other party of the appraiser's identity within 20 days of receipt of the written demand for appraisal. The appraisers will then attempt to set the amount of the loss of each item in dispute. A written report of agreement will be signed by them. In all instances the written report of agreement will be itemized and state separately the actual cash value, replacement cost, and if applicable, the market value of each item in dispute. The written report of agreement will set the amount of the loss of each item in dispute and will be binding upon you and us.
3. If the two appraisers fail to agree upon the amount of the loss within 30 days they will select a competent, disinterested umpire and will submit their differences to the umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. A person may not serve as an appraiser or umpire if that person, any employee of that person, that person's employer, or any employee of their employer: (1) has performed services for either party with respect to the claim at issue in the appraisal; or (2) has a financial interest in the outcome of the claim at issue in the appraisal. Each party will be responsible for the compensation of their selected appraiser. Reasonable expenses of the appraisal and the reasonable compensation of the umpire will be paid equally by you and us.
4. You and we do not waive any rights by demanding or submitting to an appraisal, and retain all contractual rights to determine if coverage applies to each item in dispute. Appraisal is only available to determine the amount of the loss of each item in dispute. The appraisers and the umpire have no authority to decide:
   - **a.** Any other questions of fact;
   - **b.** Questions of law;
   - **c.** Questions of coverage;
   - **d.** Other contractual issues; or
   - **e.** To conduct appraisal on a class-wide basis.
5. A party may not demand appraisal after that party brings suit or action against the other party relating to the amount of loss.

G. Other Insurance And Service Agreement

If a loss covered by this policy is also covered by:

1. Other insurance, 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
2. A service agreement, this insurance is excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

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 policy and the action is started within two years after the date of loss.

I. Our Option

If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with material or property of like kind and quality.

J. Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

1. Reach an agreement with you;
2. There is an entry of a final judgment; or

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

SAMPLE

3. There is a filing of an appraisal award with us.

K. Abandonment Of Property

We need not accept any property abandoned by an "insured".

L. No Benefit To Bailee

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

M. Recovered Property

If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

N. Volcanic Eruption Period

One or more volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption.

O. Policy Period

This policy applies only to loss which occurs during the policy period.

P. Concealment Or Fraud

We provide coverage to no "insureds" under this policy if, whether before or after a loss, an "insured" has:

1. Intentionally concealed or misrepresented any material fact or circumstance;

2. Engaged in fraudulent conduct; or

3. Made false statements;

relating to this insurance.

Q. Loss Payable Clause

If the Declarations shows a loss payee for certain listed insured personal property, the definition of "insured" is changed to include that loss payee with respect to that property.

If we decide to cancel or not renew this policy, that loss payee will be notified in writing.

SECTION II – LIABILITY COVERAGES

A. Coverage E – Personal Liability

If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and

2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.

B. Coverage F – Medical Payments To Others

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury". Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees". As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or

2. To a person off the "insured location", if the "bodily injury":

a. Arises out of a condition on the "insured location" or the ways immediately adjoining;

b. Is caused by the activities of an "insured";

c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or

d. Is caused by an animal owned by or in the care of an "insured".

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

SAMPLE

SECTION II – EXCLUSIONS

A. "Motor Vehicle Liability"

Coverages **E** and **F** do not apply to any "motor vehicle liability".

B. "Watercraft Liability"

Coverages **E** and **F** do not apply to any "watercraft liability".

C. "Aircraft Liability"

This policy does not cover "aircraft liability".

D. "Hovercraft Liability"

This policy does not cover "hovercraft liability".

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

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

1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by an "insured", even if the resulting "bodily injury" or "property damage":

a. Is of a different kind, quality or degree than initially expected or intended; or

b. Is sustained by a different person, entity or property than initially expected or intended.

However, this Exclusion **E.1.** does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by an "insured" to protect persons or property;

2. "Business"

“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".

3. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

4. "Insured's" Premises Not An "Insured Location"

"Bodily injury" or "property damage" arising out of a premises:

a. Owned by an "insured";

b. Rented to an "insured"; or

c. Rented to others by an "insured";

that is not an "insured location";

5. Harassment

"Bodily injury" or "property damage" arising out of actual, alleged or threatened discrimination or harassment due to age, race, color, sex, religion, national origin, sexual preference, handicapped status, or any other type of unlawful discrimination;

6. Communicable Disease

"Bodily injury" or "property damage" which arises out of the transmission of any communicable disease by an "insured";

7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse;

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

8. Controlled Substance

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional;

9. Rental Property

“Bodily injury” or “property damage” arising out of the rental of any part of any premises by any insured. This exclusion does not apply:

a. To the rental of the “residence premises”:

(1) Either completely or in part, for exclusive use as a residence, for up to a total of seven (7) nights in the 12-month period prior to the date of the loss; or

(2) In part, for use as a permanent residence, by either one or two full-time roomers or boarders; or

b. With respect to the portions of the dwelling not regularly occupied by you, when the dwelling on the “residence premises” is a two, three, or four family dwelling and you occupy one part and rent the other part to others;

10. Pollutants and Contaminants

“Bodily injury” or “property damage” arising out of the actual, alleged, or threatened presence, discharge, dispersal, seepage, migration, release, escape of, or exposure to contaminants or pollutants at or from any source or location.

Contaminants and pollutants include but are not limited to any solid, liquid, gaseous, or thermal irritant, including smoke from agricultural smudging or industrial operations, smog, soot, vapor, fumes, acids, alkalis, chemicals, pathogens, noxious substances, fuel oil, asbestos, or lead.

This exclusion does not apply to bodily injury or property damage arising out of smoke or fumes caused by fire or explosion. We also do not cover:

SAMPLE

a. Any loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of, or in any way respond to or assess the effects of contaminants or pollutants;

b. Any loss, cost, or expense arising out of any claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of, or in any way responding to or assessing the effects of contaminants or pollutants; or

c. Contamination or pollution arising out of actually or allegedly defective building materials, nuclear substances, or waste. Waste includes materials to be recycled, reconditioned, or reclaimed; or

11. Criminal Acts

“Bodily injury” or “property damage” arising out of criminal, dishonest or fraudulent acts or omissions by or at the direction of an insured person, even if such insured person is not actually charged with or convicted of a crime, including if the insured person enters a no-contest plea.

F. Coverage E – Personal Liability

Coverage **E** does not apply to:

1. Liability:

a. For any loss assessment charged against you as a member of an association, corporation or community of property owners, except as provided in **D.** Loss Assessment under Section **II** – Additional Coverages;

b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:

(1) That directly relate to the ownership, maintenance or use of an "insured location"; or

(2) Where the liability of others is assumed by you prior to an "occurrence";

unless excluded in **a.** above or elsewhere in this policy;

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";
3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;
4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:
   a. Workers' compensation law;
   b. Non-occupational disability law; or
   c. Occupational disease law;
5. "Bodily injury" to you or an "insured" as defined under Definition **5.a.** or **b.**

   This exclusion also applies to any claim made or suit brought against you or an "insured" to:
   a. Repay; or
   b. Share damages with;

   another person who may be obligated to pay damages because of "bodily injury" to an "insured".
6. "Bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".
7. “Bodily injury” or “property damage” arising out of any real property any insured has sold or transferred. This includes but is not limited to “bodily injury” or “property damage” arising out of known, unknown, hidden, or alleged property conditions, problems, or defects. This exclusion also applies to any property damage to the sold or transferred real property itself.

G. Coverage F – Medical Payments To Others

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

1. To a "residence employee";
2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:
   a. Workers' compensation law;
   b. Non-occupational disability law; or
   c. Occupational disease law; or
3. To any person regularly residing on any part of the "insured location".

SECTION II – ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

A. Claim Expenses

We pay:

1. Expenses we incur and costs taxed against an "insured" in any suit we defend;
2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the Coverage **E** limit of liability. We need not apply for or furnish any bond;
3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to $250 per day, for assisting us in the investigation or defense of a claim or suit; and
4. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

B. First Aid Expenses

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

C. Damage To Property Of Others

1. We will pay, at replacement cost, up to $1,000 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;**

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

SAMPLE

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

D. Loss Assessment

1. We will pay up to $1,000 for your share of loss assessment charged against you, as owner or tenant of the "residence premises", during the policy period by a corporation or association of property owners, when the assessment is made as a result of:

a. "Bodily injury" or "property damage" not excluded from coverage under Section **II** – Exclusions; or

b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided such person:

(1) Is elected by the members of a corporation or association of property owners; and

(2) Serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.

2. Paragraph **I.** Policy Period under Section **II** – Conditions does not apply to this Loss Assessment Coverage.

3. Regardless of the number of assessments, the limit of $1,000 is the most we will pay for loss arising out of:

a. One accident, including continuous or repeated exposure to substantially the same general harmful condition; or

b. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

4. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

SECTION II – CONDITIONS

A. Limit Of Liability

Our total liability under Coverage **E** for all damages resulting from any one "occurrence" will not be more than the Coverage **E** Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

Our total liability under Coverage **F** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage **F** Limit Of Liability shown in the Declarations.

B. Severability Of Insurance

This insurance applies separately to each "insured". This condition will not increase our limit of liability for any one "occurrence".

C. Duties After "Occurrence"

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:

a. The identity of the policy and the "named insured" shown in the Declarations;

b. Reasonably available information on the time, place and circumstances of the "occurrence"; and

c. Names and addresses of any claimants and witnesses;

2. Cooperate with us in the investigation, settlement or defense of any claim or suit;

3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";

4. At our request, help us:

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

SAMPLE

a. To make settlement;

b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";

c. With the conduct of suits and attend hearings and trials; and

d. To secure and give evidence and obtain the attendance of witnesses;

5. With respect to **C.** Damage To Property Of Others under Section **II** – Additional Coverages, submit to us, if requested, within 60 days after the loss, a sworn statement of loss and show the damaged property, if in an "insured's" control;

6. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

D. Duties Of An Injured Person – Coverage F – Medical Payments To Others

1. The injured person or someone acting for the injured person will:

a. Give us written proof of claim, under oath if required, as soon as is practical; and

b. Authorize us to obtain copies of medical reports and records.

2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

E. Payment Of Claim – Coverage F – Medical Payments To Others

Payment under this coverage is not an admission of liability by an "insured" or us.

F. Suit Against Us

1. No action can be brought against us unless there has been full compliance with all of the terms under this Section **II.**

2. No one will have the right to join us as a party to any action against an "insured".

3. Also, no action with respect to Coverage **E** can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

G. Bankruptcy Of An "Insured"

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

H. Other Insurance

This insurance is 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.

I. Policy Period

This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

J. Concealment Or Fraud

We do not provide coverage to an "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;

2. Engaged in fraudulent conduct; or

3. Made false statements;

relating to this insurance.

SECTIONS I AND II – CONDITIONS

A. Liberalization Clause

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or

2. An amendatory endorsement.

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

B. Waiver Or Change Of Policy Provisions

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

C. Cancellation

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.

2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.

a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.

b. When 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 date cancellation takes effect.

c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:

(1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or

(2) If the risk has changed substantially since the policy was issued.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

d. When 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 date cancellation takes effect.

3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

D. 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 in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

E. Assignment

Assignment of this policy will not be valid unless we give our written consent.

F. Subrogation

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage **F** or Paragraph **C.** Damage To Property Of Others under Section **II** – Additional Coverages.

G. Death

If any person named in the Declarations or the spouse, if a resident of the same household, dies, the following apply:

1. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death; and

2. "Insured" includes:

a. An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises"; and

b. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

SAMPLE

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PROVISIONS – TEXAS

SAMPLE

This insurance modifies insurance under the following forms:

Lemonade Homeowners Form

Lemonade Renters Form

Lemonade Condo Form

DEFINITIONS

The following are added to Paragraph **B.:**

12. "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.

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

SECTION I – PROPERTY COVERAGES

The following is added to Paragraph **E.11 Ordinance Or Law:**

d. If the insured property is located in an area which is eligible for coverage through the Texas Windstorm Insurance Association, the coverage described above also applies to the increased cost you incur due to the repair, replacement or demolition required for the dwelling to comply with the building specifications contained in the Texas Windstorm Insurance Association's plan of operation.

(This is Paragraph **D.10** in **LEM 06**.)

SECTION I – PERILS INSURED AGAINST

For Form **LEM 06**, Paragraph **12.b.(5)** is replaced by the following:

(5) Caused by mold, fungus or wet rot, including but not limited to mold, fungus or wet rot that is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure or resulting from constant or repeated seepage or leakage of water or steam that is hidden, unknown, and accidental or unintended, from within any portion of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within any household appliance, that occurs over a period of weeks, months or years.

For Form **LEM 04**, Paragraph **12.b.(4)** is replaced by the following:

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

For Form **LEM 03**:

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

(5) Mold, fungus or wet rot, including but not limited to mold, fungus or wet rot that is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure or resulting from constant or repeated seepage or leakage of water or steam that is hidden, unknown and accidental or unintended, from within any portion of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within any household appliance, that occurs over a period of weeks, months or years.

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

(c) Smog, rust or other corrosion, wet or dry rot;

The following is added to Paragraph **A.2.c.(6)(e)**:

For purposes of this provision, pollutants does not include:

(i) Pollutants that escape from heating and air conditioning systems and appliances; or

Includes copyrighted material of Insurance Services Office, Inc., with its permission

(ii) Common household chemicals used to maintain the "residence premises".

Paragraph **B.12.b.(4)** is replaced by the following:

(4) Caused by mold, fungus or wet rot, including but not limited to mold, fungus and wet rot that is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure, or resulting from the constant or repeated seepage or leakage of water or steam that is hidden, unknown and accidental or unintended, from within any portion of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance, that occurs over a period of weeks, months or years.

SECTION I – EXCLUSIONS

Paragraph **7. Intentional Loss** is replaced by the following:

7. Intentional Loss

a. Intentional Loss means any loss arising out of any act an "insured" commits or conspires to commit with the 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:

(1) Filed a police report; and

(2) 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 **7.b.,** our payment to the "insured" is limited to that "insured's" 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.

The following exclusion is added:

9. "Fungi" Or Microbes

a. "Fungi" or microbes means the presence, growth, proliferation, spread or any activity of "fungi" or microbes.

This exclusion also applies to the cost:

(1) To remove "fungi" or microbes from property covered under Section **I** – Property Coverages;

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

(3) Of testing of air or property to confirm the absence, presence or level of "fungi" or microbes.

b. Exclusion **10.a.** applies unless the "fungi" or microbes are located upon the portion of covered property which must be repaired or replaced because of direct physical damage resulting from sudden and accidental discharge or overflow of water, or any peril, which would otherwise be covered under this Policy. For purposes of this exclusion, sudden and accidental shall include a loss event that is hidden or concealed for a period of time until it is detectable. A hidden loss must be reported to us no later than 30 days after the date it was detected or should have been detected.

c. However, the exception to the exclusion described in **10.b.** does not include:

(1) The cost to treat, contain, remove or dispose of the "fungi" or microbes beyond that which is required to repair or replace the covered property physically damaged by water;

(2) The cost of any testing of air or property to confirm the absence, presence or level of "fungi" or microbes whether performed prior to, during or after removal, repair, restoration or replacement;

(3) The cost of any decontamination of the "residence premises"; and

(4) Any increase in loss under Coverage **D** – Loss Of Use and Additional Coverage **1.** Debris Removal resulting from **c.(1), (2)** or **(3).**

Direct loss by fire, smoke or explosion resulting from "fungi" or microbes is covered.

For Form **LEM 06** the following exclusion is added:

SAMPLE

Includes copyrighted material of Insurance Services Office, Inc., with its permission

10. Accidental Discharge Or Overflow Of Water Or Steam

Accidental Discharge Or Overflow Of Water Or Steam means any accidental discharge or overflow of water or steam, and condensation resulting from 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.

SAMPLE

This Exclusion applies to direct physical loss:

a. To property described in Coverage A and C;

b. To the system or appliance from which the water or steam escaped;

c. Caused by accidental discharge or overflow from within a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;

d. Caused by or resulting from freezing, except as provided in Perils Insured Against 14. Freezing;

e. Caused by accidental discharge or overflow which occurs away from the building where the "residence premises" is located; or

f. Caused by mold, fungus or wet rot, including but not limited to mold, fungus and wet rot that is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure, or resulting from the constant or repeated seepage and to leakage of water or steam that is hidden, unknown and accidental or unintended, from within any portion of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance, that occurs over a period of weeks, months or years.

SECTION I – CONDITIONS

The following is added to Paragraph **A. Insurable Interest And Limit Of Liability:**

Policy A Liquidated Demand

A fire insurance policy, in case of a total loss by fire of property insured, shall be held and considered to be a liquidated demand against the company for the full amount of such policy. This provision shall not apply to personal property.

Paragraph **C. Duties After Loss** is replaced by the following:

C. Duties After Loss

1. Your Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this Policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage or a representative of either:

a. Give prompt notice to us or our agent. With respect to loss caused by windstorm or hail in the catastrophe area, as defined by the Texas Insurance Code, any claim must be filed with us not later than one year after the date of the loss that is the subject of the claim. However, any such claim may be filed after the first anniversary of the date of the loss for good cause shown by the person filing the claim;

b. Notify the police in case of a loss by theft;

c. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in the Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money Coverage under Section **I** – Property Coverages;

d. Protect the property from further damage. If repairs to the property are required, you must:

(1) Make reasonable and necessary repairs to protect the property; and

(2) Keep an accurate record of repair expenses;

e. Cooperate with us in the investigation of a claim;

f. Prepare an inventory of 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;

g. As often as we reasonably require:

(1) Show the damaged property;

(2) Provide us with records and documents we request and permit us to make copies; and

(3) Submit to examination under oath, while not in the presence of another "insured", and sign the same. A minor may have a parent/guardian present during an examination under oath;

h. Send to us, within 91 days after our request, your signed, sworn proof of loss on a standard form supplied by us. We must request a signed, sworn proof of loss within 15 days after we receive your written notice, or we waive our right to require a proof of loss. Such waiver will not waive our other rights under this Policy.

(1) This proof of loss shall set forth, to the best of your knowledge and belief:

(a) The time and cause of loss;

(b) The interests of all "insureds" and all others in the property involved and all liens on the property;

(c) Other insurance which may cover the loss;

(d) Changes in the title or occupancy of the property during the term of the Policy;

(e) Specifications of the damaged buildings and detailed repair estimates;

(f) The inventory of damaged personal property described in **C.1.f.** above;

(g) Receipts for additional living expenses incurred and records that support the fair rental value loss; and

(h) Evidence or affidavit that supports a claim under **E.6.** Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money Coverage under Section **I** – Property Coverages, stating the amount and cause of loss.

(2) If you elect to make claim under the Replacement Cost Coverage of this Policy, this proof of loss shall also state, to the best of your knowledge and belief:

(a) The replacement cost of the described dwelling;

(b) The replacement cost of any other building on which loss is claimed; or

(c) The full cost of repair or replacement of loss without deduction for depreciation.

2. Our Duties After Loss

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

(1) 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;

(2) Begin an investigation of the claim; and

(3) Specify the information you must provide in accordance with Paragraph **C.1.** Your Duties After Loss above.

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:

(1) Within 15 "business days"; or

(2) 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:

(1) Give the reason for denying your claim; or

(2) 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.

Paragraph **D.1.** in **Loss Settlement** is replaced by the following:

1. Eligible Property

a. Covered losses to the following property are settled at replacement cost at the time of the loss:

(1) Coverage **C;** and

(2) If covered in this policy:

(a) Awnings, outdoor antennas and outdoor equipment; and

SAMPLE

Includes copyrighted material of Insurance Services Office, Inc., with its permission

(b) Carpeting and household appliances

whether or not attached to buildings.

b. This method of loss settlement will also apply to the following articles or classes of property if they are separately described and specifically insured in this policy and not subject to agreed value loss settlement:

(1) Furs and garments:

(a) Trimmed with fur; or

(b) Consisting principally of fur;

(2) Cameras, projection machines, films and related articles of equipment;

(3) Musical equipment and related articles of equipment;

(4) Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding:

(a) Pens or pencils;

(b) Flasks;

(c) Smoking implements; or

(d) Jewelry; and

(5) Golfer's equipment meaning golf clubs

Personal Property Replacement Cost loss settlement will not apply to other classes of property separately described and specifically insured.

Paragraph **E. Loss To A Pair Or Set** is replaced by the following:

E. Loss To A Pair Or Set

1. In case of loss to a pair or set other than jewelry, we may elect to:

a. Repair or replace any part to restore the pair or set to its value before the loss; or

b. Pay the difference between actual cash value of the property before and after the loss.

2. Loss to a jewelry pair or set will be settled at replacement cost at the time of loss without deduction for depreciation.

Paragraph **H. Suit Against Us** is replaced by the following:

H. Suit Against Us

1. Except as provided in Paragraph **2.,** no suit or action can be brought against us unless there has been full compliance with all of the terms under Section **I** of this Policy. Action must be brought against us within two years and one day from the date the cause of action first accrues. A cause of action accrues on the date of the initial breach of our contractual duties as alleged in the action.

2. With respect to suits brought in connection with claims for loss caused by windstorm or hail in the catastrophe area, as defined by the Texas Insurance Code:

No action can be brought against us unless there has been compliance with all of the terms of this Policy. The action must be brought before the earlier of the following:

a. Two years and one day from the date we accept or reject the claim; or

b. Three years and one day from the date of the loss that is the subject of the claim.

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 Policy or is legally entitled to payment.

If we notify you that we will pay your claim, or part of your claim, we must pay within five "business days" after we notify you. If payment of your claim or part of your claim requires the performance of an act by you, we must pay within five "business days" after the date you perform the act.

In all forms except **LEM 04**, Paragraph **L. Mortgage Clause** is replaced by the following:

L. Mortgage Clause (Without Contribution)

1. We will pay for any covered loss of or damage to buildings or structures to the mortgagee shown in the

Includes copyrighted material of Insurance Services Office, Inc., with its permission

Declarations as interests appear.

2. The mortgagee has the right to receive loss payment even if the mortgagee has started foreclosure or similar action on the building structure.

3. If we deny your claim because of your acts or because you have failed to comply with the terms of this Policy, the mortgagee has the right to receive loss payment if the mortgagee:

a. At our request, pays any premium due under this Policy, if you have failed to do so;

b. Submits a signed, sworn statement of loss within 91 days after receiving notice from us of your failure to do so; and

c. Has notified us of any changes in ownership, occupancy or substantial changes in risk known to the mortgagee.

All of the terms of this Policy will then apply directly to the mortgagee.

M. Failure of the mortgagee to comply with **3.a., 3.b.** or **3.c.** above shall void this Policy as to the interest of the mortgagee.

1. If we pay the mortgagee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Policy:

a. The mortgagee's rights under the mortgage will be transferred to us to the extent of the amount we pay.

b. The mortgagee's right to recover the full amount of the mortgagee's claim will not be impaired.

At our option, we may pay the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

2. If this Policy is cancelled, we will give the mortgagee specifically named in the Declarations written notice of cancellation.

If we cancel the Policy, we will give the mortgagee the same number of days' notice of cancellation we give to you.

If you cancel the Policy, we will give the mortgagee notice of cancellation to be effective on the date stated in the notice. The date of cancellation cannot be before the 10th day after the date we mail the notice.

We will not give notice of cancellation to any successor or assignee of the mortgagee named in the Policy.

3. If the property described under Coverage **A** – Dwelling or Coverage **B** – Other Structures is foreclosed upon under the deed of trust, the mortgagee may cancel this Policy of insurance and will be entitled to any unearned premium from this Policy.

The mortgagee must credit any unearned premium against any deficiency owed by the borrower and return any unearned premium not so credited to the borrower. The unearned premium will be figured using the customary pro rata procedures.

4. If we elect not to renew this Policy, the mortgagee specifically named in the Declarations will be given 30 days' written notice of the nonrenewal.

(This condition does not apply to Form **LEM 04**.)

Includes copyrighted material of Insurance Services Office, Inc., with its permission

Paragraph **Q. Concealment Or Fraud** is replaced by the following:

Q. Concealment Or Fraud

To the extent permitted by Texas Insurance Code sections 705.003 and 705.004, this policy is void for the "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;

2. Engaged in fraudulent conduct; or

3. Made material false statements; relating to this insurance.

(This is Paragraph **P.** in Form **LEM 04**.)

The following conditions are added:

Residential Community Property Clause

This Policy, subject to all other terms and conditions, when covering residential community property, as defined by state law, shall remain in full force and effect as to the interest of each spouse covered, irrespective of divorce or change of ownership between the spouses unless excluded by endorsement attached to this Policy, until the expiration of the Policy or until cancelled in accordance with the terms and conditions of this Policy.

Catastrophe Claims

If a claim results from a weather-related catastrophe or a major natural disaster, each claim-handling deadline shown in **C.** Duties After Loss and **J.** Loss Payment is extended for an additional 15 days.

Catastrophe or Major Natural Disaster means a weather-related event which:

1. Is determined to be a catastrophe by the Texas Department of Insurance.

SECTION II – EXCLUSIONS

Paragraph **E.1. Expected Or Intended Injury** is replaced by the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by an "insured".

However, this Exclusion **E.1.** does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by an "insured" to protect persons or property;

Paragraph **E.6. Communicable Disease** is replaced by the following:

6. Communicable Disease

"Bodily injury" or "property damage" which arises out of the transmission of sickness or disease by an "insured" through sexual contact;

Paragraph **E.7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse** is replaced by the following:

7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse.

For the purposes of this exclusion, abuse means an act which is committed with the intent to cause harm;

Paragraph **E.10 Pollutants and Contaminants** is replaced by:

10. Pollutants and Contaminants

“Bodily injury” or “property damage” arising out of the actual, alleged, or threatened presence, discharge, dispersal, seepage, migration, release, escape of, or exposure to contaminants or pollutants at or from any source or location.

Contaminants and pollutants include but are not limited to any solid, liquid, gaseous, or thermal irritant, including smoke from agricultural smudging or industrial operations, smog, soot, vapor, fumes, acids, alkalis, chemicals, pathogens, noxious substances, fuel oil, asbestos, or lead.

This exclusion does not apply to bodily injury or property damage arising out of:

a. Smoke or fumes caused by fire or explosion;

b. Pollutants that escape from heating and air conditioning systems and appliances (HVAC); or

c. Common household chemicals used to maintain the residence premises.

We also do not cover:

SAMPLE

a. Any loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of, or in any way respond to or assess the effects of contaminants or pollutants;

b. Any loss, cost, or expense arising out of any claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of, or in any way responding to or assessing the effects of contaminants or pollutants; or

c. Contamination or pollution arising out of actually or allegedly defective building materials, nuclear substances, or waste. Waste includes materials to be recycled, reconditioned, or reclaimed.

Paragraph **E.11. Criminal Acts** is replaced by:

11. Criminal Acts

"Bodily injury" or "property damage", intended by an insured, that arises out of criminal, dishonest or fraudulent acts or omissions by or at the direction of an insured.

SECTION II – CONDITIONS

Paragraph **F. Suit Against Us** is replaced by the following:

Paragraph **C.5. in Duties after "Occurrence"** is replaced by the following:

5. With respect to **C.** Damage To Property Of Others under Section **II** – Additional Coverages, submit to us within 91 days after the loss a sworn statement of loss and show the damaged property, if in an "insured's" control;

Paragraph **D.1. in Duties after "Occurrence"** is replaced by the following:

1. The injured person or someone acting for the injured person will:

a. Give us written proof of claim, under oath if required, as soon as is practical. A minor may have a parent/guardian present during an examination under oath; and

b. Authorize us to obtain copies of medical reports and records.

F. Suit Against Us

1. No action can be brought against us unless there has been full compliance with all of the terms under this Section **II.** Action must be brought against us within two years and one day from the date the cause of action first accrues. A cause of action accrues on the date of the initial breach of our contractual duties as alleged in the action.

2. No one will have the right to join us as a party to any action against an "insured".

3. Also, no action with respect to Coverage **E** can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

Paragraph **J. Concealment Or Fraud** is replaced by the following:

J. Concealment Or Fraud

To the extent permitted by Texas Insurance Code sections 705.003 and 705.004, we do not provide coverage to an "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;

2. Engaged in fraudulent conduct; or

3. Made false statements; relating to this insurance.

SAMPLE

The following condition is added:

K. Notice Of Offer To Settle Or Of Settlement Of Claim

1. We will notify you in writing of any initial offer to settle a claim against you under this Section **II.** We will give you notice within 10 days after the date the offer is made.

2. We will notify you in writing of any settlement of a claim against you under this Section **II.** We will give you notice within 30 days after the date of the settlement.

SECTIONS I AND II – CONDITIONS

Paragraph **C. Cancellation** is replaced by the following:

C. Cancellation

1. You may cancel this Policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.

Includes copyrighted material of Insurance Services Office, Inc., with its permission

2. We may cancel this Policy at any time for the reasons stated in this condition by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you electronically. If you have chosen not to receive electronic correspondence, the cancellation notice will be mailed to you at your mailing address shown in the Declarations.

a. If this Policy has been in effect for less than 60 days and is not a renewal policy, we may not cancel this Policy unless:

(1) We identify a condition that:

(a) Creates an increased risk of hazard;

(b) Was not disclosed in the application for insurance coverage; and

(c) Is not the subject of a prior claim;

(2) Before the effective date of the Policy, we do not accept a copy of a required inspection report that:

(a) Was completed by an inspector licensed by the Texas Real Estate Commission or who is otherwise authorized to perform inspections; and

(b) Is dated not earlier than the 90th day before the effective date of the Policy.

An inspection report is deemed accepted unless we reject it before the 11th day after the date we receive it;

(3) You do not pay the premium or any portion of the premium due;

(4) The Texas Department of Insurance determines that continuation of the Policy would violate the Texas Insurance Code or any other laws governing the business of insurance in this state;

(5) You submit a fraudulent claim; or

(6) There is an increase in the hazard covered by this Policy that is within your control and that would produce an increase in the premium rate of this Policy.

The effective date of cancellation cannot be before:

(1) The 10th day after we mail notice if we cancel for reason **(3), (4), (5)** or **(6)** above.

(2) The 30th day after we mail notice if we cancel for any other reason.

b. If this Policy has been in effect 60 days or more, or at any time if it is a renewal policy, we may not cancel this Policy unless:

(1) You do not pay the premium or any portion of the premium due.

(2) The Texas Department of Insurance determines that continuation of the Policy would violate the Texas Insurance Code or any other laws governing the business of insurance in this state.

(3) You submit a fraudulent claim.

(4) There is an increase in the hazard covered by this Policy that is within your control and that would produce an increase in the premium rate of this Policy.

The effective date of cancellation cannot be before the 10th day after we mail the notice. Our notice of cancellation must state the reason for cancellation.

3. When this Policy is cancelled, we will send you any refund due not later than the 15th "business day" after the effective date of cancellation. The premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

4. If we cancel, our notice to you will state that if this refund is not included with the notice, it will be returned on demand or not later than the 15th "business day" after the date of cancellation.

5. We may not cancel this Policy solely because you are an elected official.

Paragraph **D. Nonrenewal** is replaced by the following:

D. Refusal To Renew

1. We may not refuse to renew this Policy because of claims for losses resulting from natural causes.

2. We may not refuse to renew this Policy solely because you are an elected official.

3. We may refuse to renew this Policy if you have filed three or more claims under the Policy in any three-year period that do not result from natural causes.

If you have filed two claims in a period of less than three years, we may notify you in writing that if you file a third claim during the three-year period, we may refuse to renew this Policy by providing you proper

SAMPLE

notice of our refusal to renew as provided in **4.** below. If we do not notify you after the second claim, we may not refuse to renew this Policy because of losses.

A claim does not include a claim that is filed but is not paid or payable under the Policy.

4. If we refuse to renew this Policy, we will deliver written notice to you electronically not later than the 60th day before the date on which this policy expires. If you have chosen not to receive electronic correspondence, we will deliver to you, or mail to you the written notice at your mailing address shown in the Declarations and any mortgagee named in the Declarations. Proof of mailing will be sufficient proof of notice. If we fail to give you proper notice of our decision not to renew, you may require us to renew the Policy.

All other provisions of this Policy apply.

SAMPLE

Includes copyrighted material of Insurance Services Office, Inc., with its permission

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

CANINE LIABILITY EXCLUSION ENDORSEMENT

SAMPLE

This insurance modifies insurance under the following forms:

Lemonade Homeowners Form

Lemonade Renters Form

Lemonade Condo Form

SECTION II – EXCLUSIONS

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

The following exclusion is added:

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

Canines

Bodily injury or property damage caused by one of the following breeds or breed mix of dogs, owned by or in the care, custody or control of an insured or a guest of an insured or, in the care, custody or control of a roomer, boarder, tenant, resident, residence employee or guest of such roomer, boarder, tenant or other occupant of the residence premises:

Akitas, American Bull Terrier, American Staffordshire Terrier, Bull Terrier, Chows, Doberman Pinschers, Pit Bull Terrier, Presa Canarios, Rottweilers, Staffordshire Terrier, Wolf Hybrids, Trained guard dogs, any dog with a prior bite history as documented by a filed insurance claim, police report, or civil complaint.

This exclusion does not apply to the listed breeds if the dog(s) is Certified as a Seeing Guide Dog, Hearing Dog or is Trained to Assist the Physically Disabled.

All other terms and conditions of your policy remain unchanged.

© 2023 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

SWIMMING POOL, DIVING BOARD, AND SLIDE LIABILITY EXCLUSION

SAMPLE

This insurance modifies insurance under the following forms:

Lemonade Homeowners Form

Lemonade Renters Form

Lemonade Condo Form

SECTION II – EXCLUSIONS

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

The following exclusion is added:

Coverages E and F do not apply to the following:

Swimming Pools, Diving Boards, and Slides

"Bodily injury" or "property damage" arising from or in any way involving, directly or indirectly, a swimming pool, diving board, slide or similar structure, regardless of cause.

We shall have no duty to investigate, defend, or indemnify any claim or suit seeking such damages.

All other terms and conditions of your policy remain unchanged.

 © Copyright 2020 by LEMONADE INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

TRAMPOLINE LIABILITY EXCLUSION

SAMPLE

This insurance modifies insurance under the following forms:

Lemonade Homeowners Form

Lemonade Renters Form

Lemonade Condo Form

SECTION II – EXCLUSIONS

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

The following exclusion is added:

Coverages E and F do not apply to the following:

Trampolines

"Bodily injury" or "property damage" or arising from or in any way involving, directly or indirectly, any trampoline, bounce house or inflatable slide, regardless of cause.

We shall have no duty to investigate, defend, or indemnify any claim or suit seeking such damages.

All other terms and conditions of the policy remain unchanged.

 © Copyright 2020 by LEMONADE INSURANCE COMPANY

TEXAS PERIOD TO FILE A CLAIM OR BRING LEGAL ACTION AGAINST US NOTICE – WINDSTORM OR HAIL – CATASTROPHE AREA

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), **the provisions of the policy (including its endorsements) shall prevail.**

Carefully read your policy, including the endorsements attached to your policy.

In accordance with Texas Insurance Code Section 2301.010(f), we are notifying you that:

1. With respect to loss or damage in the State of Texas caused by windstorm or hail in the catastrophe area, as defined by the Texas Insurance Code, any claim must be filed with us not later than one year after the date of the loss or damage that is the subject of the claim, except that a claim may be filed after the first anniversary of the date of the loss or damage for good cause shown by the person filing the claim; and
2. Any legal action brought against us under the policy for loss or damage in the State of Texas caused by windstorm or hail in the catastrophe area, as defined by the Texas Insurance Code, must be brought within the earlier of the following:
   a. Two years and one day from the date we accept or reject the claim; or
   b. Three years and one day from the date of the loss or damage that is the subject of the claim.

 © Insurance Services Office, Inc., 2013

FRAUD STATEMENT

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

SAMPLE

© ISO Properties, Inc., 2003

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – http//www.treas.gov/ofac.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

SAMPLE

© ISO Properties, Inc., 2004

IMPORTANT NOTICE

To obtain information or make a complaint:

You may contact Lemonade Insurance Company at **844-733-8666**.

You may call Lemonade Insurance Company's toll-free telephone number for information or to make a complaint at:

844-733-8666

You may also write to Lemonade Insurance Company at:

5 Crosby Street, 3rd Floor, New York, NY, 10013

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

P.O. Box 12030

Austin, TX 78711-2030

Fax: (512) 490-1007

Web: www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES

Should you have a dispute concerning your premium or about a claim, you should contact the Lemonade Insurance Company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY

This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Puede comunicarse con Lemonade Insurance Company al **844-733-8666**.

Usted puede llamar al numero de telefono gratis de (company)'s para informacion o para someter una queja al:

844-733-8666

Usted tambien puede escribir a Lemonade Insurance Company:

5 Crosby Street, 3rd Floor, New York, NY, 10013

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 12030

Austin, TX 78711-2030

Fax: (512) 490-1007

Web: www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

SAMPLE

DISPUTAS SOBRE PRIMAS O RECLAMOS

Si tiene una disputa relacionada con su prima de seguro o con una reclamacion, usted debe comunicarse con Lemonade Insurance Company primero. Si la disputa no es resuelta, usted puedo comunicarse con el Departamento de Seguros de Texas.

UNA ESTE AVISO A SU POLIZA

Este aviso solamente para propositos informativos y no convierte en parte o en condicion del documento adjunto.

SAMPLE

POLICYHOLDER DISCLOSURE NOTICE

TEXAS – POLLUTANTS AND CONTAMINANTS EXCLUSION

This Disclosure Notice does not provide any coverage under your policy and is intended to inform you that there is no coverage for loss caused by Pollutants and Contaminants. If there is any conflict between your policy and this Disclosure Notice, the provisions of your policy shall apply.

Your policy does not cover bodily injury or property damage arising out of:

1. The actual, alleged, or threatened presence, discharge, dispersal, seepage, migration, release, escape of, or exposure to contaminants or pollutants at or from any source or location;
2. Any loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of, or in any way respond to or assess the effects of contaminants or pollutants;
3. Any loss, cost, or expense arising out of any claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, disposing of, or in any way responding to or assessing the effects of contaminants or pollutants; or
4. Contamination or pollution arising out of actually or allegedly defective building materials, nuclear substances, or waste. Waste includes materials to be recycled, reconditioned, or reclaimed.

Contaminants and pollutants include but are not limited to any solid, liquid, gaseous, or thermal irritant, including smoke from agricultural smudging or industrial operations, smog, soot, vapor, fumes, acids, alkalis, chemicals, pathogens, noxious substances, fuel oil, asbestos, or lead.

Please refer to your policy for more information.

SAMPLE

CONSUMER BILL OF RIGHTS

Homeowners, Dwelling, and Renters Insurance

What is the Bill of Rights?

It is a basic outline of important rights you have under Texas law. Insurance companies must give you this Bill of Rights with your policy. It is important to read and understand your policy.

The Bill of Rights is <u>not</u>:

- A complete list of all your rights,
- Part of your policy, or
- A list of everything that you are responsible for.

Questions about these rights?

- If you are not sure about anything in your policy, ask your agent or insurance company.
- If you have questions or a complaint, contact the Texas Department of Insurance (TDI) at:

  Call with a question: 1-800-252-3439
  Email with a question:
  ConsumerProtection@tdi.texas.gov
  File a complaint through the website:
  www.tdi.texas.gov/consumer/get-help-with-an-insurance-complaint.html

- To learn more about insurance, visit www.opic.texas.gov or call the Office of Public Insurance Counsel (OPIC) at 1-877-611-6742.

AVISO: Este documento es un resumen de sus derechos como asegurado. Tiene derecho a llamar a su compañía de seguros y obtener una copia de estos derechos en español. Además, puede ser que su compañía de seguros tenga disponible una versión de su póliza en español.

SAMPLE

Table of Contents

Where to Get Information 3
1. Your insurance company 3
2. Your declarations page 3
3. The Texas Department of Insurance (TDI).....3
4. Resources for shopping for insurance 3

What You Should Know When You File a Claim 3
5. Deadlines for processing claims and payments 3
6. Written explanation of claim denial 3
7. Reasonable investigation 4
8. Information not required for processing your claim 4
9. Right to contract with a public insurance adjuster 4
10. Release of claim payments from lenders 4
11. Notice of liability claim settlement 4

Who to Contact for Claim Disagreements 4
12. Claim disagreements 4

What You Should Know about Renewal, Cancellation and Nonrenewal 4
13. Notice of premium increase 5
14. Insurance company cancellation of homeowners policies 5
15. Insurance company cancellation of other residential property policies 5
16. Notice of cancellation 5
17. Your right to cancel 5
18. Refund of premium 5
19. Limits on using claims history for nonrenewal 6
20. Limits on using claims history to increase premium 6
21. Right to ask questions 6
22. Limit on using credit information to nonrenew your policy 7
23. Protections from discrimination 7
24. Protection for low-value property 7
25. Protection for older houses 7
26. Notice of nonrenewal 7
27. Notice of a “material change” to your policy 7
28. Written explanation of cancellation or nonrenewal 7

SAMPLE

Where to Get Information

1. **Your insurance company.** When you get a copy of your policy you will also get an "Important Notice" from the company. The notice explains how to contact your company and how to file a complaint. You may request a complete copy of your policy from your company at any time.

2. **Your declarations page.** The declarations page, also called the "dec page," shows: (a) the name and address of your insurance company, (b) the location of the insured property, (c) the dates your policy is in effect, and (d) the amounts and types of coverage.

   Your company must list the exact dollar amount of each deductible in your policy. The declarations page, or a separate page, must also list any part of your policy that changes any deductible amount.

3. **The Texas Department of Insurance (TDI).** You have the right to call TDI for free at 1-800-252-3439 for information and help with a complaint against an insurer. You can also find information on the TDI website at www.tdi.texas.gov.

4. **Resources for shopping for insurance.** The Office of Public Insurance Counsel (OPIC) and TDI developed www.HelpInsure.com to help you compare rates and coverages for different insurance companies. OPIC also has an online tool to help you compare policies. You can find this policy comparison tool at www.opic.texas.gov.

What You Should Know When You File a Claim

5. **Deadlines for processing claims and payments.** You should file your claim with your insurance company as soon as possible. When you file a claim on your own policy, the insurance company must meet these deadlines:

   - **Within 15 days after you file a claim:** The company must let you know they received your claim. The company must also start their investigation and ask you for any other information they need.
   - **Within 15 business days after they get all the information they need:** The company must approve or deny your claim in writing. They can extend this deadline up to **45 days** from the date they: (a) let you know they need more time and (b) tell you why.
   - **Within 5 business days after they let you know your claim is approved**: The company must pay the claim.

   Note: TDI can extend these deadlines by 15 more days if there is a weather-related catastrophe.

   If your company fails to meet these deadlines, you may be able to collect the claim amount, interest, and attorney's fees.

6. **Written explanation of claim denial.** Your insurance company must tell you in writing why your claim or part of your claim was denied.

7. **Reasonable investigation.** Your insurance company cannot refuse to pay your claim without a reasonable investigation of the claim. You should keep records of all claim communications (including notes from phone calls) and other claim documentation (including damage estimates and receipts).

8. **Information not required for processing your claim.** Your insurance company can only ask for information reasonably needed for their claim investigation. However, they cannot ask for your federal income tax returns unless: (a) they get a court order or (b) your claim involves a fire loss, loss of profits, or lost income.
9. **Right to contract with a public insurance adjuster.** Your insurer cannot include a provision in your policy that prohibits you from contracting with a licensed public insurance adjuster to act on your behalf in negotiating for or effecting the settlement of a claim.
10. **Release of claim payments from lenders.** Often an insurance company will make a claim payment to you and your lender. If your lender gets the payment:
    - **No later than 10 days after receiving it they must:** (a) notify you and (b) tell you what you must do so the money can be released.
    - **No later than 10 days after you ask for the money, they must:** (a) send the money to you, or (b) tell you how to get the money released.

    If your lender does not: (a) provide the notices mentioned above or (b) pay the money after all the requirements have been met, the lender must pay you interest on the money.

11. **Notice of liability claim settlement.** Liability means you are responsible for other people's injuries or damage to their property. Your insurance company must let you know in writing:
    - About the first offer to settle a claim against you within **10 days** after the offer is made.
    - About any claim settled against you within **30 days** after the date of the settlement.

Who to Contact for Claim Disagreements

12. **Claim disagreements.** You can dispute the amount of your claim payment or what is covered under your policy. You can:
    - Contact your insurance company.
    - Contact an attorney to advise you of your rights under the law. The State Bar of Texas can help you find an attorney.
    - Pay a licensed public adjuster to review the damage and handle the claim.
    - File a complaint with TDI.

SAMPLE

What You Should Know about Renewal, Cancellation and Nonrenewal

Renewal means that your insurance company is extending your policy for another term.

Cancellation means that, **before the end of the policy period**, the insurance company:

- Terminates the policy;
- Gives you less coverage or limits your coverage; or

- Refuses to give additional coverage that you are entitled to under the policy.

"**Refusal to renew**" and "**nonrenewal**" are terms that mean your coverage ends **at the end of the policy period**. The policy period is shown on the declarations page of your policy.

13. **Notice of premium increase.** If your insurance company plans to increase your premium by 10 percent or more on renewal, your company must send you notice of the rate increase at least **60 days** before your renewal date.

14. **Insurance company cancellation of homeowners policies.** If your homeowners policy has been in effect for **60 days or more**, your company can only cancel your policy if:

    - You don't pay your premium when it is due;
    - You file a fraudulent claim.
    - There is an increase in the risk covered by the policy that is: (a) within your control and (b) would make your premium go up; or
    - TDI decides that keeping the policy violates the law.

    If your policy has been in effect for **less than 60 days**, your company can only cancel your policy if:

    - One of the reasons listed above applies;
    - They reject a required inspection report within **10 days** after getting the report. The report must be done by a licensed or authorized inspector and cannot be more than 90 days old; or
    - They find something that creates an increase in risk that you did not include in your application and is not related to a prior claim.

15. **Insurance company cancellation of other residential property policies.** After your policy has been in effect for **90 days**, your company can only cancel your policy if:

    - You don't pay your premium when it is due;
    - You file a fraudulent claim;
    - There is an increase in the risk covered by the policy that is: (a) within your control and (b) would make your premium go up; or
    - TDI decides that keeping the policy violates the law.

16. **Notice of cancellation.** If your insurance company cancels your policy, they must let you know by mail at least **10 days** before the effective date of the cancellation. Check your policy because your company may give you more than 10 days' notice.

17. **Right to cancel.** You can cancel your policy at any time and get a refund of the unused premium.

18. **Refund of premium.** If you or your insurance company cancel your policy, the company must refund any unused premium within 15 business days from:

    - the date the company receives notice of the cancellation or
    - the date of cancellation, whichever is later.

    You must let your company know you want the refund sent to you. If not, they may refund the remaining premium by giving you a premium credit on the same policy.

SAMPLE

19. **Limits on using claims history for nonrenewal.** Your insurance company cannot refuse to renew your policy based on claims for damage from natural causes, including weather-related damage; or claims that are filed but not paid or payable under the policy.

    Appliance-related water damage claims. Your insurance company cannot refuse to renew your policy based on an appliance-related water damage claim if:

    - The damage has been properly repaired or remediated; and
    - The repair or remediation was inspected and certified.

    However, your insurance company may refuse to renew your policy based on appliance-related water damage claims if:

    - Three or more claims were filed and paid (including a claim filed by a prior owner on your property); or

      You: (a) file 2 claims within a three-year period; and (b) after the second claim, your company gives you written notice that filing a third appliance-related claim could result in your policy not being renewed; and
    - You file a third claim.

    Claims other than appliance-related water damage claims. Your insurance company cannot refuse to renew your policy based on other claims unless:

    - You: (a) file 2 claims within a three-year period; and (b) after the second claim, your company gives you written notice that filing a third claim could result in your policy not being renewed; and
    - You file a third claim.

20. **Limits on using claims history to increase premium.** Your insurance company cannot increase your premium based on claims for damage from natural causes, including weather-related damage; or claims that are filed but not paid or payable under your policy.

    Appliance-related water damage claims. Your company cannot increase your premium based on a prior appliance-related water damage claim if:

    - The damage has been properly repaired or remediated; and
    - The repair or remediation was inspected and certified.

    However, your insurance company may increase your premium based on prior appliance-related water damage claims if:

    - Three or more claims were filed and paid (including a claim filed by a prior owner on your property)

    Claims other than appliance-related water damage claims. Your insurance company cannot increase your premium based on other claims unless:

    - You file 2 or more claims within a three-year period.

21. **Right to ask questions.** You can ask your insurance company a question about your policy. They cannot use your questions to deny, nonrenew, or cancel your coverage. Your questions also cannot be used to determine your premium.

    For example, you may ask:

    - General questions about your policy;

SAMPLE

- Questions about the company's claims filing process; and
- Questions about whether the policy will cover a loss, unless the question is about damage: (a) that occurred and (b) that results in an investigation or claim.

22. **Limit on using credit information to nonrenew your policy.** An insurance company cannot refuse to renew your policy solely because of your credit.

23. **Protections from discrimination.** An insurance company cannot refuse to insure you; limit the coverage you buy; refuse to renew your policy; or charge you a different rate based on your race, color, creed, country of origin, or religion.

24. **Protection for low-value property.** An insurance company cannot refuse to renew your policy because the property value is low.

25. **Protection for older houses.** An insurance company cannot refuse to renew your policy based on the age of your property. However, they can refuse to renew your policy based on the condition of your property, including your plumbing, heating, air conditioning, wiring, or roof.

26. **Notice of nonrenewal.** Your insurance company must send you a notice that they are not renewing your policy. They must let you know at least **60 days** before your policy expires, or you can require them to renew your policy.

27. **Notice of a "material change" to your policy.** If your insurance company does not want to cancel or nonrenew your policy, but wants to make certain material changes, then they must explain the changes in writing at least **30 days** before the renewal date**.** Material changes include:

    - Giving you less coverage;
    - Changing a condition of coverage; or
    - Changing what you are required to do.

    Instead of a notice of "material change" a company may choose to not renew your existing policy. If so, the company has to send a nonrenewal letter, but may still offer you a different policy.

    Note: A company cannot reduce coverage during the policy period unless you ask for the change. If you ask for the change, the company does not have to send you a notice.

28. **Written explanation of cancellation or nonrenewal.** You can ask your insurance company to tell you in writing the reasons for their decision to cancel or not renew your policy. The company must explain in detail why they cancelled or nonrenewed your policy.

SAMPLE

FLOOD NOTICE

Flood Insurance: You may also need to consider the purchase of flood insurance. Your insurance policy does not include coverage for damage resulting from a flood even if hurricane winds and rain caused the flood to occur. Without separate flood insurance coverage, you may have uncovered losses caused by a flood. Please discuss the need to purchase separate flood insurance coverage with your insurance agent or insurance company, or visit www.floodsmart.gov.

SAMPLE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

INELIGIBLE FIREARM EXCLUSION

SAMPLE

This insurance modifies insurance under the following forms:

Lemonade Homeowners Form

Lemonade Renters Form

Lemonade Condo Form

DEFINITIONS

The following definition is added:

1. "Ineligible Firearm" means any firearm, or replica or duplicate of a firearm, that meets any of the following criteria:

a. Any firearm that is illegal under applicable state law or federal law;

b. Any firearm altered from original manufacturing;

c. Any firearm which is not regularly stored in a locked cabinet or gun safe. Trigger locks for all stored guns, and gun safety training and certification are strongly encouraged;

d. Any firearm not emptied of ammunition when not in use;

e. Any firearm not imprinted with a serial number registered with a federally licensed manufacturer;

f. Any firearm that produces a steady burst of fire as long as the trigger is depressed, such as a machine or submachine gun;

g. Any selective-fire firearm capable of fully automatic, semi-automatic, or burst fire at the user's option;

h. A semi-automatic pistol or semi-automatic centerfire rifle that has a fixed magazine that can hold more than 10 rounds;

i. A semi-automatic centerfire rifle shorter than 30 inches;

j. A semi-automatic shotgun that can accept a detachable magazine;

k. A semi-automatic shotgun that has both:

(1) A folding or telescoping stock; and

(2) A grip, including a pistol grip, thumbhole stock, or other stock that, when used, would allow a person to grip the firearm, resulting in any finger on the trigger hand and trigger finger being directly below any part of the action of the firearm when firing;

l. A shotgun with a revolving cylinder;

m. Any semi-automatic centerfire rifle that can accept a detachable magazine (one that can be removed without disassembling the firearm action) and has at least one of the following features:

(1) A folding or telescoping stock;

(2) A grip, such as a pistol grip, a thumbhole stock, or other stock, the use of which would allow an individual to grip the firearm, resulting in any finger on the trigger hand in addition to the trigger finger being directly below any portion of the action of the firearm when firing;

© 2022 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

(3) A forward pistol grip;

(4) A flash suppressor; or

(5) A grenade launcher or flare launcher;

n. Or any semi-automatic pistol that can accept a detachable magazine and has at least one of the following features:

(1) The ability to accept a detachable ammunition magazine that attaches at some location outside of the pistol grip;

(2) A threaded barrel capable of accepting a flash suppressor, forward pistol grip, or sound suppressor;

(3) A shroud attached to, or that partially or completely encircles the barrel and permits the shooter to fire the firearm without being burned, except a slide that encloses the barrel; or

(4) A second hand grip.

SECTION I – EXCLUSIONS

The following exclusion is added:

This policy does not provide any coverage for:

a. "Ineligible Firearm"

SAMPLE

All other terms and conditions of your policy remain unchanged.

© 2022 Lemonade Insurance Company. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

TEXAS DEPARTMENT OF INSURANCE
Regulatory Policy Division - Personal and Commercial Lines Office (104-PC)
333 Guadalupe, Austin, Texas 78701 ✯ PO Box 149104, Austin, Texas 78714-9104
(512) 676-6710 | F: (512) 490-1014 | (800) 578-4677 | TDI.texas.gov | @TexasTDI

SAMPLE

Print

USE OF CREDIT INFORMATION DISCLOSURE

Insurer's Name: Lemonade Insurance Company

Address: 5 Crosby St. New York, NY 10013

Telephone Number *(toll free if available)*: (844) 733-8666

We ☐ **will** ☑ **will not** *(choose one)* obtain and use credit information on you or any other member(s) of your household as a part of the insurance credit scoring process.

If you have questions regarding this disclosure, contact the insurer at the above address or phone number. For information or other questions, contact the Texas Department of Insurance at 1-800-578-4677 or PO Box 149104, MC 104-PC, Austin, Texas 78714.

Section 559.053 of the Texas Insurance Code requires an insurer or its agents to disclose to its customers whether credit information will be obtained on the applicant or insured or on any other member(s) of the applicant's or insured's household and used as part of the insurance credit scoring process.

If credit information is obtained or used on the applicant or insured, or on any member of the applicant's or insured's household, the insurer shall disclose to the applicant the name of each person on whom credit information was obtained or used and how each person's credit information was used to underwrite or rate the policy. An insurer may provide this information with this disclosure or in a separate notice.

Adverse effect means an action taken by an insurer in connection with the underwriting of insurance for a consumer that results in the denial of coverage, the cancellation or nonrenewal of coverage, or the offer to and acceptance by a consumer of a policy form, premium rate, or deductible other than the policy form, premium rate, or deductible for which the consumer specifically applied.

Credit information is any credit related information derived from a credit report itself, or provided in an application for personal insurance. The term does not include information that is not credit-related, regardless of whether the information is contained in a credit report or in an application for insurance coverage or is used to compute a credit score.

Credit score or insurance score is a number or rating derived from a mathematical formula, computer application, model, or other process that is based on credit information and used to predict the future insurance loss exposure of a consumer.

SUMMARY OF CONSUMER PROTECTIONS CONTAINED IN CHAPTER 559

PROHIBITED USE OF CREDIT INFORMATION. *An insurer may not:*
(1) use a credit score that is computed using factors that constitute unfair discrimination;

(2) deny, cancel, or nonrenew a policy of personal insurance solely on the basis of credit information without consideration of any other applicable underwriting factor independent of credit information; or
(3) take an action that results in an adverse effect against a consumer because the consumer does not have a credit card account without consideration of any other applicable factor independent of credit information.

An insurer may not consider an absence of credit information or an inability to determine credit information for an applicant for insurance coverage or insured as a factor in underwriting or rating an insurance policy unless the insurer:
(1) has statistical, actuarial, or reasonable underwriting information that: (A) is reasonably related to actual or anticipated loss experience; and (B) shows that the absence of credit information could result in actual or anticipated loss differences;
(2) treats the consumer as if the applicant for insurance coverage or insured had neutral credit information, as defined by the insurer; or
(3) excludes the use of credit information as a factor in underwriting and uses only other underwriting criteria.

NEGATIVE FACTORS. *An insurer may not use any of the following as a negative factor in any credit scoring methodology or in reviewing credit information to underwrite or rate a policy of personal insurance:*

(1) a credit inquiry that is not initiated by the consumer;
(2) an inquiry relating to insurance coverage, if so identified on a consumer's credit report; or
(3) a collection account with a medical industry code, if so identified on the consumer's credit report.

Multiple lender inquiries made within 30 days of a prior inquiry, if coded by the consumer reporting agency on the consumer's credit report as from the home mortgage or motor vehicle lending industry, shall be considered by an insurer as only one inquiry.

EFFECT OF EXTRAORDINARY EVENTS. *An insurer shall, on written request from an applicant for insurance coverage or an insured, provide reasonable exceptions to the insurer's rates, rating classifications, or underwriting rules for a consumer whose credit information has been directly influenced by a catastrophic illness or injury, by the death of a spouse, child, or parent, by temporary loss of employment, by divorce, or by identity theft. In such a case, the insurer may consider only credit information not affected by the event or shall assign a neutral credit score.*

An insurer may require reasonable written and independently verifiable documentation of the event and the effect of the event on the person's credit before granting an exception. An insurer is not required to consider repeated events or events the insurer reconsidered previously as an extraordinary event.

An insurer may also consider granting an exception to an applicant for insurance coverage or an insured for an extraordinary event not listed in this section. An insurer is not out of compliance with any law or rule relating to underwriting, rating, or rate filing as a result of granting an exception under this article.

NOTICE OF ACTION RESULTING IN ADVERSE EFFECT. *If an insurer takes an action resulting in an adverse effect with respect to an applicant for insurance coverage or insured based in whole or in part on information contained in a credit report, the insurer must provide to the applicant or insured within 30 days certain information regarding how an applicant or insured may verify and dispute information contained in a credit report.*

SAMPLE

DISPUTE RESOLUTION; ERROR CORRECTION. *If it is determined through the dispute resolution process established under Section 611(a)(5), Fair Credit Reporting Act (15 U.S.C. Section 1681i), as amended, that the credit information of a current insured was inaccurate or incomplete or could not be verified and the*

insurer receives notice of that determination from the consumer reporting agency or from the insured, the insurer shall re-underwrite and re-rate the insured not later than the 30th day after the date of receipt of the notice.

After re-underwriting or re-rating the insured, the insurer shall make any adjustments necessary within 30 days, consistent with the insurer's underwriting and rating guidelines. If an insurer determines that the insured has overpaid premium, the insurer shall credit the amount of overpayment. The insurer shall compute the overpayment back to the shorter of the last 12 months of coverage; or the actual policy period.

SAMPLE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT ENDORSEMENT

This endorsement modifies insurance under the following form:

Lemonade Renters Form

In **SECTION I – CONDITIONS**, **D. Loss Settlement**, **3. Replacement Cost Loss Settlement Condition**, is replaced by the following:

3. Replacement Cost Loss Settlement Condition

The following loss settlement condition applies to all property described in **1.** above:

a. We will pay no more than the least of the following amounts:

(1) Replacement cost at the time of loss without deduction for depreciation;

(2) The full cost of repair at the time of loss;

(3) The limit of liability that applies to Coverage C, if applicable;

(4) Any applicable special limits of liability stated in this policy; or

(5) For loss to any item described in **1.b.(1) – (6)** above, the limit of liability that applies to the item.

b. You may disregard the replacement cost loss settlement provisions and make claims under this policy for loss to buildings on an actual cash value basis. You may then make a claim, in accordance with the provisions of this Condition **D**. Loss Settlement, for the difference between the actual cash value and the full replacement cost of the buildings within six months of the later of:

(1) The last date you received a payment for actual cash value; or

(2) The date of entry of a final order of a court of competent jurisdiction declaring your right to replacement cost.

SAMPLE

All other terms and conditions of your policy remain unchanged.

 Includes copyrighted material of Insurance Services Office, Inc. with permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

INFLATION PROTECTION COVERAGE

SAMPLE

This endorsement modifies insurance under the following form:

Lemonade Renters Form

Payment of the premium will constitute the insured's acceptance of the limits as shown on the Policy Declarations. It is also agreed that the limits of liability for Coverages **C** and **D** shall be raised, on an annual basis, by the rate of increase in the U.S. Labor Department Consumer Price Index - Commodities less food and energy commodities. The amounts of insurance will be rounded to the nearest $1,000.

This endorsement shall not reduce the limits of liability to less than the amount shown on the Policy Declarations.

All other terms and conditions of the policy remain unchanged.

© 2022 Lemonade, Inc. All rights reserved.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

Notice of Installment Fees, Recurring Credit/Debit Card Payments and Our Rights to Discontinue Coverage Because of Failed Payments

Your policy is a one-year contract. If you have chosen to pay monthly for your insurance, we will automatically charge your card each month for the total monthly amount quoted to you, which is the sum of the monthly premium plus a monthly installment fee. You may cancel these recurring payments by cancelling your policy on the Lemonade app or by emailing our customer experience team at help@lemonade.com.

If we choose to insure you for another year, we will automatically charge the card for the new monthly premium and the new monthly installment fee. We will do the same for any subsequent renewals. Please keep your card information updated with us.

If your payment fails for any reason, we will attempt to collect the unpaid amount through our usual processes using the card information we have for you. We have the right to cancel your policy, if we cannot collect the monthly premium when due. We have the right to decline to insure you for another year, if we cannot collect either or both the monthly premium or the monthly installment fee when due. Payments we collect will be applied first to unpaid premium. Only after the premium has been paid in full will collections be applied to unpaid installment fees.