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Unit-Owners Coverage A - Special Coverage

Old Form # ML-32

New Form # HO 1755

Summary of Changes:

Under the Incidental Property Coverages section, the endorsement revises item g. under Liquid Fuel Remediation to state that coverage is provided when loss is caused by a Peril Insured Against that applies to property covered under Coverage C.

The endorsement makes distinctions regarding a described location that is protected by an automatic fire protective sprinkling system and one that is not.

The endorsement clarifies that plumbing systems and domestic appliances do not include certain equipment with respect to the Freezing, Discharge, Leakage, Or Overflow exclusion.

The endorsement excludes coverage for loss caused by vandalism or malicious mischief if the building containing the "described location" was vacant for more than 30 days in a row just before the loss.

Under the endorsement, the exclusion applies to loss caused by continuous or repeated seepage or leakage of water or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance over a period of weeks, months, or years.

The endorsement provides coverage for loss caused by continuous or repeated seepage or leakage of water or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located if no insured knew of such seepage or leakage and no insured could reasonably be expected to suspect such seepage or leakage.

Also under the endorsement, a statement is added to indicate that certain portions of the Water Damage exclusion do not preclude the coverage provided by exception to the Seepage or Leakage exclusion.

With regards to the Settling, Cracking, Shrinking, Bulging, Or Expanding exclusion, the new form specifically excludes coverage for loss to ceilings, floors, foundations, roofs, and walls.

Under the Birds, Vermin, Rodents, Insects, Or Animals exclusion, there are now exceptions for loss covered under the Incidental Property Coverage for Glass Or Safety Glazing Material and direct physical loss to covered property involving the collapse of a building or a part of a building.

Under the pollutants exclusion, an exception to the Pollutants exclusion addresses the Incidental Property Coverage for Liquid Fuel Remediation.

The endorsement excludes loss caused by wear and tear.

Exceptions To Exclusions That Apply To Coverage A have been added as follows: Loss that results from the accidental discharge or overflow of water or steam from specific sources due to specific causes.

The Exclusions That Apply To Property Coverages are amended as follows:

--The endorsement amends the Earth Movement exclusion to indicate that it does not apply to loss caused by Sinkhole Collapse as described under the Perils Insured Against that would apply to property covered under Coverage A if this endorsement was not attached to the policy.

--The endorsement amends the coverage to specify that the references to surface water and water below the surface of the ground in the Water exclusion do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the building where the "described location" is located when loss caused by such water is the result of accidental discharge or overflow of a plumbing system, etc. and is not otherwise excluded by the policy. In addition, a plumbing system or domestic appliance does not include a sump, sump pump, or related equipment or any other type of system designed to remove subsurface water which is drained from the foundation area.

The endorsement excludes loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages and; Loss caused by errors, omissions, and defects.