

**AMERICAN RELIABLE INSURANCE COMPANY  
ENHANCEMENT COVERAGE  
PREFERRED MHO-3 PROGRAM**

In consideration of the additional premium at which this policy was written, **your** policy is changed as follows:

The section titled, "**Personal Property - Special Limits of Liability**" is deleted and replaced with the following:

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

1. \$1,000 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum, coins and metals.
2. \$1,500 on securities, accounts, deeds, evidences of debt, letter of credit, notes other than bank notes, manuscripts, passports, books, tickets, photographs, and stamps, cards and comic book collections.
3. \$1,500 on watercraft, including their trailers, furnishings, equipment and outboard motors.
4. \$1,500 on trailers not used with watercraft.
5. \$1,500 on grave markers.
6. \$1,500 for loss by theft of jewelry, watches, furs, and precious and semi-precious stones.
7. \$3,000 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, and pewterware.  
Silverware, goldware, and pewterware include:
  - a. Platedware, flatware, hollowware, tea sets, trays, trophies and the like.
  - b. Other utilitarian items made of or including silver, gold, or pewter.
8. \$2,500 for loss by theft of firearms.

Under the section titled, "**ADDITIONAL COVERAGES**", the following subsections are amended:

**Loss of Use Coverage** - The limit of 10% is hereby increased to 20%.

**Debris Removal Coverage** - The limit of \$500 is hereby increased to \$750.

**Trees, Shrubs, and Other Plants** - The maximum limit of \$500 for all trees, shrubs, plants, and lawns is hereby increased to \$750.

**Fire Department Service** - The maximum limit of \$250 is hereby increased to \$500.

**Property Removed** - The maximum limit of \$500 is hereby increased to \$750.

**Credit Card, Fund Transfer Card, Forgery, and Counterfeit Money** - The maximum limit of \$500 is hereby increased to \$750.

Under **SECTION II - ADDITIONAL COVERAGES**, the section titled "**Damage To Property Of Others**", the limit is increased from \$500 to \$750 per accident.

All other terms and conditions of this policy remain unchanged.

**AMERICAN RELIABLE INSURANCE COMPANY  
FLOOD/RISING WATER EXTENSION**

In consideration of the premium charged we agree to pay for loss caused by Flood or Rising Water. All other provisions of this policy apply.

\_\_\_\_\_  
Date Issued

\_\_\_\_\_  
Authorized Signature

This endorsement forms a part of your policy and is effective on the inception date of your policy unless the following is completed.

This endorsement forms a part of your Policy Number \_\_\_\_\_ and is effective  
\_\_\_\_\_ (12:01 a.m. Standard Time).

**AMERICAN RELIABLE INSURANCE COMPANY  
PREFERRED PROGRAM – SEWER BACKUP COVERAGE**

In consideration of the additional premium paid, your policy is changed as follows:

Under “**SECTION I – EXCLUSIONS,**” **3.b.**, which reads: “water which backs up through sewers or drains; or” is hereby deleted.

All other terms and conditions remain as stated.

# AMERICAN RELIABLE INSURANCE COMPANY

## MOBILE HOME FULL REPAIR COST PROTECTION

For an additional premium, your policy is changed to provide the following:

This optional coverage does not pertain to loss by hail, refer to **OUR PAYMENT METHODS FOR SPECIFIC TYPES OF LOSSES - HAIL** in the policy.

This coverage is applicable only to the Mobile Home and Unattached Adjacent Structures as defined in the policy.

- A.** Our liability for loss to the Mobile Home or Unattached Adjacent Structures under this policy shall not exceed the smallest of the following amounts:
- 1.** The limit of liability, as shown on the declaration page, applicable to the damaged or destroyed Mobile Home or Unattached Adjacent Structures.
  - 2.** The actual cash value of the Mobile Home or Unattached Adjacent Structures on the same premises and intended for the same occupancy and use.
  - 3.** The actual amount necessarily expended in repairing the same Mobile Home, or Unattached Adjacent Structures or any part thereof on the same premises and intended for the same occupancy and use.
- B.** When the full cost of repair is more than \$1,000 or more than 5% of the amount of coverage applicable to the Mobile Home or Unattached Adjacent Structures for the peril causing the loss, we shall not be liable for more than the actual cash value of the damaged property unless and until actual repair is completed.
- C.** You may elect to disregard this condition in making claim hereunder, but such election shall not prejudice your right to make further claim within 180 days after loss for any additional liability brought about by this coverage.
- 

**WASHINGTON EXCEPTION:** Item #2 above is amended to read:

"In the event of a total loss, we will pay the actual cash value of the Mobile Home or Unattached Adjacent Structures on the same premises and intended for the same occupancy and use."

Item #3 above is amended to read:

"The full cost to repair the same Mobile Home or Unattached Adjacent Structures, or any part thereof, on the same premises and intended for the same occupancy and use. We will repair with new parts of like kind and quality."

# AMERICAN RELIABLE INSURANCE COMPANY DEBRIS REMOVAL INCREASED COVERAGE ENDORSEMENT

**DEBRIS REMOVAL COVERAGE** for your home is changed to read:

**We** will pay the actual reasonable and necessary cost for the removal of debris of insured property that is damaged in a loss **we** insure.

The cost of debris removal is included in the Amount of Insurance that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal cost is more than the Amount of Insurance for the damaged property, an additional 5% of that Amount of Insurance is available for debris removal.

***If the debris removal cost exceeds the Amount of Insurance for the damaged property plus the additional 5% of the Amount of Insurance made available for debris removal, we will pay up to an additional \$2,500 for debris removal.***

No deductible will apply.

All other terms and conditions of the policy remain unchanged.

A4482E1299

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMERICAN RELIABLE INSURANCE COMPANY  
PREFERRED MOBILE HOMEOWNERS  
BUILDERS RISK COVERAGE**

**SECTION I - COVERAGES**

1. The following types of property, if shown in the Declarations, will not be covered until the Mobile Home has been delivered to the address where **you** will reside:
  - a. Mobile Home;
  - b. Other Structures (except as provided in Item 3. below);
  - c. Personal Property.
2. In addition, **ADDITIONAL COVERAGES** will not apply until the Mobile Home has been delivered to the address where **you** will reside.
3. If any site improvements are made to the land prior to the delivery of the Mobile Home, such site improvements will be covered, if damaged by a covered loss. The land itself is not covered.

**SECTION I – EXCLUSIONS**

With respect to this endorsement, **11. Transportation Exclusion** is deleted and replaced with the following:

11. Transportation Exclusion. Loss to **your** Mobile Home, Adjacent Structures, or Personal Effects while the Mobile Home is in Transit. The Mobile Home is considered in transit until the home is delivered to the address where **you** will reside.

**SPECIAL DEDUCTIBLE**

**We** will pay only that part of the loss that exceeds \$500. No other deductible applies to this coverage.

**SECTION I - CONDITIONS**

With respect to this endorsement, the coverage provided shall apply until one of the following occurs:

1. The policy expires or is canceled;
2. **Your** interest in the property ceases;
3. **You** abandon construction with no intention to complete it;
4. 180 days after the policy effective date; or
5. **You** occupy the Mobile Home.

All other terms, conditions, exclusions and agreements of the policy shall remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMERICAN RELIABLE INSURANCE COMPANY  
SPECIAL MOBILE HOMEOWNERS  
BUILDERS RISK COVERAGE**

**PHYSICAL DAMAGE**

1. The following types of property, if shown on the **declaration page**, will not be covered until the Mobile Home has been delivered to the address where **you** will reside:
  - a. Mobile Home;
  - b. Unattached Adjacent Structures (except as provided in Item 3. below);
  - c. Personal Effects.
2. In addition, **YOUR ADDITIONAL COVERAGES** will not apply until the Mobile Home has been delivered to the address where **you** will reside.
3. If any site improvements are made to the land prior to the delivery of the Mobile Home, such site improvements will be covered, if damaged by a covered loss. The land itself is not covered.

**PHYSICAL DAMAGE DOES NOT PROVIDE PAYMENT FOR:**

With respect to this endorsement, the last Exclusion is deleted and replaced with the following:

Loss to **your** Mobile Home, Adjacent Structures, or Personal Effects while the Mobile Home is in Transit. The Mobile Home is considered in transit until the home is delivered to the address where **you** will reside.

**SPECIAL DEDUCTIBLE**

**We** will pay only that part of the loss that exceeds \$500. No other deductible applies to this coverage.

**GENERAL POLICY CONDITIONS**

With respect to this endorsement, the coverage provided shall apply until one of the following occurs:

1. The policy expires or is canceled;
2. **Your** interest in the property ceases;
3. **You** abandon construction with no intention to complete it;
4. 180 days after the policy effective date; or
5. **You** occupy the Mobile Home.

All other terms, conditions, exclusions and agreements of the policy shall remain unchanged.

# AMERICAN RELIABLE INSURANCE COMPANY CALIFORNIA ADDITIONAL EARTHQUAKE COVERAGE MOBILE HOME PROGRAMS

**ENGINEERING SERVICES AND DEMOLITION COST COVERAGE** and **RECONSTRUCTION COST COVERAGE** applies when your home has been damaged by an earthquake.

## **ENGINEERING SERVICES AND DEMOLITION COST COVERAGE**

We will pay the reasonable and necessary cost of:

1. Structural engineering services, except as provided by public entities, to determine the habitability of your home after it has been damaged by an earthquake; and
2. Demolition of your home due to structural condemnation as the result of loss or damage caused by earthquake.

The most we will pay under this coverage for your home as the result of a single earthquake is an amount equal to four percent (4%) of the Amount of Insurance that applies to your home, but we will pay only that part of the loss that exceeds five hundred dollars (\$500).

A single earthquake consists of one or more earthquake shocks that occur within a seventy-two (72) hour period.

## **RECONSTRUCTION COST COVERAGE**

If this coverage applies, we will pay the reasonable and necessary reconstruction costs to bring your home up to current manufactured home construction standards as described in the California Health and Safety Code, to the extent required by your reconstruction permit.

This coverage is available only if, prior to the earthquake, you completed and we verified fitting or retrofitting of your home. Fitting or retrofitting of your home is accomplished by installing an earthquake resistant bracing system which has been approved for installation in your type home by the Department of Housing and Community Development, Division of Codes and Standards.

The sole purpose of our verification is to confirm your qualification for this coverage. We will not recommend, warrant, or install any earthquake resistant bracing system; nor will we be responsible for any failure of that device to perform its intended function.

The most we will pay under this coverage for a single earthquake is \$10,000, but we will pay only that part of the loss that exceeds one thousand dollars (\$1,000).

A single earthquake consists of one or more earthquake shocks that occur within a seventy-two (72) hour period.



**AMERICAN RELIABLE INSURANCE COMPANY**  
**DISCLOSURE OF SUMMARY OF CHANGES IN EARTHQUAKE COVERAGE**  
**PREFERRED, SPECIAL, BY-LINE AND RELIABLE VINTAGE PROGRAMS**

By an act of the State Assembly effective January 1, 1996, insurance companies are allowed to renew earthquake insurance policies with coverage that is reduced from the coverage you previously purchased.

Although your policy still provides coverage against the peril of Earthquake, these coverages differ substantially from, and provide less protection than, the coverage provided by your mobile homeowners policy.

Coverage amounts for personal property and loss of use are substantially reduced under the new endorsement. Certain types of property, such as adjacent structures, are also very limited or are excluded from coverage altogether. The table below will provide you with examples of how the new earthquake deductible applies.

This notice is strictly an informational form. It contains only a general description for coverage and is not part of your earthquake insurance endorsement. Only the specific provisions of your **CALIFORNIA LIMITED EARTHQUAKE COVERAGE** endorsement #A4403E0696 will determine if a particular loss is covered and, if so, the amount payable.

Earthquake loss provided for **COVERAGE C - PERSONAL EFFECTS** is limited to \$5,000. **HIGHER LIMITS OF LIABILITY ARE NOT AVAILABLE.**

Earthquake loss provided for **COVERAGE D - ADDITIONAL LIVING EXPENSE** is limited to \$1,500. **HIGHER LIMITS OF LIABILITY ARE NOT AVAILABLE.**

The minimum deductible we now offer is 10% of **COVERAGE A - MOBILE HOME**. We will pay only that part of the loss which exceeds the deductible percentage (shown on your declarations page) of **COVERAGE A - MOBILE HOME**. No payment will be made for loss to **COVERAGE C - PERSONAL EFFECTS** unless loss to the mobile home exceeds the deductible percentage for **COVERAGE A - MOBILE HOME**.

No deductible applies to **COVERAGE D - ADDITIONAL LIVING EXPENSE**.

**EXAMPLES OF APPLICATION OF EARTHQUAKE DEDUCTIBLE**

The examples shown below assume a **COVERAGE A - MOBILE HOME** limit of \$30,000 and a **COVERAGE C - PERSONAL EFFECTS** limit of \$5,000. The deductible in this example is 10% of **COVERAGE A - MOBILE HOME** limit of liability, or \$3,000.

	<b>Amount of Loss</b>			
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Mobile Home Loss	None	\$ 6,000	\$ 9,000	\$10,000
Personal Effects Loss	\$10,000	None	\$ 6,000	\$ 5,000
Covered Loss	None	\$ 3,000	\$11,000	\$12,000

**EXPLANATORY NOTES:**

1. Mobile Home loss did not exceed \$3,000 deductible so Personal Effects loss is not covered.
2. Mobile Home loss of \$6,000 less \$3,000 deductible = covered loss of \$3,000 on Mobile Home.
3. Mobile home loss of \$9,000 less \$3,000 deductible = covered loss of \$6,000 on Mobile Home plus \$5,000 for Personal Effects (**Coverage C** limit is \$5,000).
4. Mobile Home loss of \$10,000 less \$3,000 deductible = covered loss of \$7,000 on Mobile Home plus \$5,000 for Personal Effects

## AMERICAN RELIABLE INSURANCE COMPANY OCCASIONAL RENTAL COVERAGE

For an additional premium, **your** policy is amended as follows:

The following provision is added to **your** policy:

**You** may rent **your** home to others during the policy period for a length of time not to exceed 180 days within a span of 365 days.

The following is hereby added under "Physical Damage Doesn't Provide Payment For".

Loss or damage from vandalism or malicious mischief or theft caused by anyone in lawful possession of the mobile home.

Personal Effects Coverage does not include loss or damage caused by theft or vandalism and malicious mischief.

Trees, Shrubs, Plants, and Lawn coverage does not apply.

Additional Living Expense Coverage does not apply.

All other terms and conditions of this policy remain unchanged.

## AMERICAN RELIABLE INSURANCE COMPANY NATURAL DISASTER PROTECTION

For an additional premium, **you** can buy this protection.

If **you** borrowed money to buy **your** Mobile Home, Natural Disaster Protection may increase the amount of **your** Comprehensive Mobile Home Coverage in order to pay off **your** loan. If **you** buy this protection, **we** will pay for either the actual cash value of **your** Mobile Home or the outstanding principal balance of the loan for **your** Mobile Home, whichever is more, if **your** Mobile Home is destroyed by windstorm, flood, earthquake, landslide, or hail. **We** reserve the right to offer **you** a replacement Mobile Home of a similar kind, quality, and value.

Outstanding principal balance of the loan means the unpaid amount **you** owe **your** lienholder shown on the **declaration page**, minus past due payments, unearned interest, insurance, finance, and other carrying charges computed as of the date of **your** loss. This is also minus any penalties or other charges, which may have been added to **your** loan after the loan was finalized.

Flood means:

A general temporary condition of partial or complete covering of normally dry land areas from:

The overflow of inland tidal waters; or

The unusual and rapid build-up or run-off of surface water from any source; or

Mudslides or mudflows which are caused by the build-up of water on or under the ground; or

Flood can also mean the collapse or sinking of land along the shore of a body of water as a result of erosion or undermining caused by waves or currents of water exceeding the normal levels, which results in a flood as defined above.

Flood, as defined above, is at least as broad as that offered by the Standard Flood Insurance Policy [NFIA-1(Ed. 7-74)].

# AMERICAN RELIABLE INSURANCE COMPANY

## MOBILE HOME REPLACEMENT COST PROTECTION

For an additional premium, your policy is changed to provide the following:

Coverage for loss to your Mobile Home and Unattached Adjacent Structures at replacement cost without deduction for depreciation, subject to the following:

1. If at the time of loss, the amount of insurance in this policy on the damaged Mobile Home and Unattached Adjacent Structures is 80% or more of the full replacement cost of the Mobile Home and Unattached Adjacent Structures immediately prior to the loss, we will pay the cost of repair or replacement, without deduction for depreciation, but not exceeding the smallest of the following amounts:
  - (a) The limit of liability shown on the declaration page applicable to the damaged or destroyed Mobile Home or Unattached Adjacent Structures.
  - (b) The replacement cost of the Mobile Home, or Unattached Adjacent Structures, or any part thereof, with a new Mobile Home of like kind and quality of such Mobile Home or Unattached Adjacent Structures on the same premises and intended for the same occupancy and use.
  - (c) The amount actually and necessarily expended in repairing or replacing the same Mobile Home or Unattached Adjacent Structures intended for the same occupancy and use.
  - (d) Settlement of Hail Losses. Subject to the conditions of item 1b., the amount we will pay for loss to your Mobile Home or Unattached Adjacent Structures due to hail depends on the type of damage the hail causes, as stated below:
    - (1) **STRUCTURAL LOSS:** Hail can cause structural damage, which is the actual penetration of the exterior surface or the cracking or breaking of support materials. When this type of loss or damage occurs, the amount we pay will be the lowest of:
      - The cost of repairing or replacing the damaged portion of the property; or
      - The amount of insurance shown on the Declaration Page.
    - (2) **NON STRUCTURAL LOSS:** Hail often dents the exterior surface of a home. Since there is no structural damage, this will in no way affect the utility of the home. When this type of loss or damage occurs, the amount we pay will be the lowest of:
      - The cost of repairing or replacing the damaged portion of the property; or
      - Two percent (2%) of the amount of insurance shown on the Declaration Page.The damage to your property will reduce the amount of insurance available by the amount of the damage. Your coverage will return to the amount of insurance shown on the Declaration Page upon completion of the repairs or replacements.
2. If at the time of loss the amount of insurance in this policy on the damaged Mobile Home and Unattached Adjacent Structures is less than 80% of the full replacement cost of the Mobile Home and Unattached Adjacent Structures immediately prior to the loss, we will pay the larger of the following amounts, but not exceeding the limit of liability under this policy applying to the Mobile Home or Unattached Adjacent Structures.
  - (a) the actual cash value of that part of the Mobile Home and Unattached Adjacent Structures damaged; or
  - (b) that proportion of the cost to repair or replace, without deduction for depreciation, of that part of the Mobile Home and Unattached Adjacent Structures damaged, which the total amount of insurance in this policy on the damaged Mobile Home and Unattached Adjacent Structures bears to 80% of the replacement cost of the Mobile Home and Unattached Adjacent Structures.
3. In determining the amount of insurance required to equal 80% of the full replacement cost of the Mobile Home and Unattached Adjacent Structures immediately prior to the loss, you shall disregard the value of excavations, foundations, piers and other supports which are below the undersurface of the lowest basement floor or, where there is no basement, which are below the surface of the ground inside the foundation walls, and underground flues, pipes, wiring and drains.
4. When the full cost of repair or replacement is more than \$1,000 or more than 5% of the whole amount of insurance applicable to said Mobile Home or Unattached Adjacent Structures for the peril causing the loss, we shall not be liable for more than the actual cash value of the damaged property unless and until actual repair or replacement is completed.
5. You may elect to disregard this condition in making claim hereunder, but such election shall not prejudice your right to make further claim within 180 days after loss for any additional liability brought about by this coverage.
6. Inflation Guard Coverage. The limit of liability shown for Mobile Home and Unattached Adjacent Structures will be increased automatically by 3% at the end of each 12 month period after the inception or "from" date shown on the Declaration Page. The coverage amount will be rounded to the nearest \$1,000.