TEXAS SPECIAL MOBILE HOME
Windstorm and Hail Insurance Policy
Deductible Coverage

A list of all companies participating in the Association is on file in the office of the Texas Department of Insurance and a copy may be obtained on request.

THIS POLICY JACKET WITH THE COMMON DECLARATIONS PAGE, COVERAGE PARTS, AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, Completes This Policy.

This policy does not provide flood or wave wash coverage. Consult your agent for availability of flood coverage.

Ed Date November 1, 2009
IMPORTANT NOTICE
To obtain information or make a complaint:
You may call the company’s toll-free telephone number for information or to make a complaint at

1-800-788-8247

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 149104
Austin, TX 78714-9104
FAX # (512) 475-1771
Web: http://www.tdi.state.tx.us
E-mail: ConsumerProtection@tdi.state.tx.us

To obtain price and policy form comparisons and other information relating to residential property insurance and personal automobile insurance, you may visit the Texas Department of Insurance/Office of Public Insurance Counsel website:

www.helpinsure.com

PREMIUM OR CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim you should contact the agent or the 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 información o para someter una queja:
Usted pueda llamar al número de teléfono gratis de la compañía para información o para someter una queja al

1-800-788-8247

Puede comunicarse con el Departamento de Seguros de Texas para obtener información acerca de compañías, coberturas, derechos o quejas al

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas

P.O. Box 149104
Austin, TX 78714-9104
FAX # (512) 475-1771
Web: http://www.tdi.state.tx.us
E-mail: ConsumerProtection@tdi.state.tx.us

Para obtener formas de comparación de precios y poliza y otra información acerca del seguro de propiedad residencial y del seguro de automóvil, visite el sitio web del Departamento de Seguros de Texas y la Oficina del Asesor Público de Seguros:

www.helpinsure.com

DISPUTAS SOBRE PRIMAS O RECLAMOS:
Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el agente o la compañía primero. Si no se resuelve la disputa, pueda entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para propósito de información y no se convierte en parte o condición del documento adjunto.
**PART TWO**

**SECTION I**

**DEFINITIONS**

**BUILDING**—Insurance on a building shall include everything which is legally a part of the building, except machinery which is not used solely in the service of the building and subject to the “Specific Coverage Conditions” set out in Section III below.

**HOUSABLE GOODS**—Insurance on household goods shall include all personal property, usual to a residence, of the insured and his family subject to the “Conditions applicable Only to Household Goods” as set out in the “Specific Coverage Conditions”. Section III below.

**UNEARNED PREMIUM CLAUSE**—If a loss is paid under this policy, this insurance shall indemnify the insured for loss of the pro rata unearned premium on the amount of such loss payment. This Association, however, may elect by written notice within sixty days after date of loss to reinstate this policy in the amount of such loss and, in consideration of such reinstatement, make no payment to the insured as provided by this clause.

**DEDUCTIBLES APPLICABLE SEPARATELY TO EACH ITEM OF INSURANCE**—With respect to loss to any building hereunder or insured property contained in the building, this Association shall be liable only for the amount of loss in any one occurrence which is in excess of (a) $250 or (b) (i) 2% of the amount of insurance for property located seaward of the Intracoastal Canal and not protected by an appropriate seawall or (ii) 1% of the amount of insurance from property located inland of the Intracoastal Canal or seaward of the Intracoastal Canal and protected by an appropriate seawall under this policy applying to the property insured, whichever is the greater.

The provisions of this deductible shall apply separately to each item on insurance covering buildings or household goods.

**SECTION II**

**SPECIAL CONDITIONS**

**Mold, Fungi, or Other Microorganisms:** This Association shall not be liable for loss or damage caused by or resulting from fungi or mold and other microorganisms.

a. “Fungi or mold and other microorganisms” when used in the policy or in this exclusion means the presence, growth, proliferation, spread or any activity of fungi or mold and other microorganisms.

This exclusion also applies to the cost:

1. To remove fungi or mold and other microorganisms from covered property covered under this Texas Windstorm Insurance Association policy.

2. To tear out and replace any part of the building or other covered property as needed to gain access to the fungi or mold and other microorganisms; and

3. Of testing of air or property to confirm the absence, presence or level of fungi or mold and other microorganisms;

b. This exclusion applies unless the fungi or mold and other microorganisms are located upon the portion of covered property which must be repaired or replaced because of sudden and accidental direct physical damage resulting from wind or hail 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 “b.” above does not include:

1. The cost to treat, contain, remove or dispose of the fungi or mold and other microorganisms 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, mold and other microorganisms whether performed prior to, during or after the removal, repair, restoration or replacement;

3. the cost of any decontamination of the covered property covered under this Texas Windstorm Insurance Association policy;

4. any increase in loss under this Texas Windstorm Insurance Association policy related to loss of use, debris removal, additional living expense, or diminution in value resulting from c. (1), (2), and (3).

Asbestos: This Association shall not be liable for loss or damage caused by or resulting from asbestos. We do cover direct physical loss caused by windstorm or hail to covered property containing asbestos materials; however, we do not cover the additional cost or expense to test for, monitor, clean up, contain, treat, abate or assess the effects of asbestos or asbestos-containing materials.

This Association shall not be liable for loss or damage to (a) awnings, carports and patio covers, whether permanently attached or not; (b) outdoor radio or television antennas or satellite signal receiving equipment including their lead-in wiring, mast or towers; (c) fences; (d) seawalls, property line and similar walls; (e) greenhouses, hot houses, slathouses, trellises, pergolas, or cabanas; (f) wharfs, docks, piers, boathouses, bulkheads or other structures located over or partially over water and the property therein or thereon; (g) lawns, trees, shrubs or plants; (h) patio covers, screening and supports enclosing or partially enclosing pools, patios or other areas, whether a separate structure or attached to a building; however, with reference to exclusion (i) above, nothing therein shall be construed to exclude loss to screening and supports of porches which are a part of a building; (j) paint or waterproofing material applied to the exterior of the buildings or structures covered hereunder.

This Association shall not be liable under any and all circumstances for loss or damage caused by (a) blizzard or change in temperature; (b) sand or dust; (c) snowstorm; (d) flood; (e) surface water; (f) waves; (g) storm surge; (h) tides; (i) tidal water; (j) tidal waves; (k) tsunami; (l) seiche; (m) or overflow of streams or other bodies of water, or spray from any of these, all whether driven by wind or not; nor for (n) explosion; (o) nor for any loss or damage caused by rain, whether driven by wind or not, unless the wind or hail shall first make an opening in the walls or roof of the described building, and shall then be liable only for loss to the interior of the building, or the insured property therein, caused immediately by rain entering the building through such openings.

This Association shall not be liable under this Coverage for damages caused by ensuing fire.

Liability under this policy shall not exceed the lesser of (a) the difference between the actual cash value of the property immediately before the loss, ascertained with proper deduction for depreciation, and its actual cash value immediately after the loss; (b) the amount it would cost to repair or replace the property with material of like kind and quality, ascertained with proper deduction for depreciation, within a reasonable time after the loss, without allowance for any increased cost of repair or reconstruction by reason of any ordinance or law regulating construction or repair, and without compensation for loss resulting from interruption of business or manufacture; or (c) the interest of the insured, or the specific amounts shown under “Amount of Insurance,” and the liability thus determined shall, in addition, be subject to all provisions, conditions, deductions, and limitations contained in this policy.

In any loss involving part of a pair, set, or series of objects, pieces or panels, (whether interior or exterior), the measure of loss shall be determined by reference to: (1) a fair and reasonable proportion of the part of the total value...
of the pair, set or series; or (2) the reasonable cost of repairing or replacing
the damaged part so as to match the remainder as closely as reasonably possible
under the circumstances; or (3) the reasonable cost of providing a reasonably
acceptable alternative decorative effect or utilization; as the circumstances may
warrant. The Association does not guarantee the availability of parts or replace-
ments and shall not, in the event of such damage to or loss of a part, be obligated for
the value of, or to repair or replace, the entire pair, set or series.

CONDITIONS APPLICABLE ONLY TO HOUSEHOLD GOODS- The Association shall
not be liable on any one loss with respect to personal effects for more than $250
on money, coin collections, or other numismatic property and paraphernalia; gold
bullion; silver bullion; passports; airline, railroad and other tickets; securities,
manuscripts, stamps or other philatelic property and paraphernalia; any one
article of jewelry including, but without being limited to, watches, necklaces,
bracelets, gems, precious and semi-precious stones, and articles of gold and
platinum; art, including, but without being limited to, paintings, sculptures, draw-
ings, etchings, ceramics and china; heirlooms; furs including any article con-
taining fur which represents its principal value; or guns.
ATTACH FORMS AND ENDORSEMENTS HERE

SECTION IV

BASIC CONDITIONS

1. Concealment, fraud. This entire policy shall be void if, whether before or after a loss, the insured has wilfully concealed or mis- represented any material fact or circumstances concern- ing this insurance, or the subject thereof, or the interest of the insured therein, or in case of any fraud or false swearing by the insured relating thereto.

2. Exception property. This policy shall not cover accounts, money, currency, securities, deeds, or evidences of debt; nor, unless spe- cifically named hereon, records and books of records (except for their physical value in blank), manuscripts, bullion, animals, motor vehicles, warcraft (unless inside the building described herein) or aircraft.

3. Hazards not included. This Association shall not be liable for loss by Perils excluded from this policy, or loss by war, or loss from economic or political confiscation or nationalization, or any directly or indirectly connected with such confiscation or nationalization, or any directly or indirectly connected with such confiscation or nationalization, including action taken by military, naval, or air forces in resisting an actual or an immediately impending enemy attack; (b) invasion; (c) insurrection; (d) rebellion; (e) revolution; (f) civil war; (g) usurped power; (h) order of any civil authority; (i) neglect of the insured to use all reasonable means to save and preserve the property at and after a loss.

4. Conditions prohibiting or restricting this Association shall not be liable for loss occurring following a change in ownership of the insured property; or while any other stipulation or condition of this policy is being violated.

5. Changes or additions. Changes in this policy may be made only by written endorsement properly executed by an authorized repre- sentative of this Association and attached hereto. The insured’s local recording agent is not an authorized representative of this Association.

6. Cancellation. You may cancel this policy at any time by notifying us in writing of the date cancellation is to take effect. We will send you any refund due when the policy is returned to us. The refund will be pro rata, subject to a policy minimum retained premium in an amount equal to 180 days or $100 whichever is applicable. Payment of the minimum retained premium shall not create or extend coverage beyond the cancellation date that you requested. The minimum retained premium is fully earned on the effective date of the policy and you shall owe to us any unpaid balance of the minimum retained premium.

7. Pro rata. This Association shall not be liable for a greater propor- tion of any loss than the amount hereby insured shall bear to the whole insurance covering the property against the Peril involved, whether collectible or not; except if any glass or article of personal property, covered hereunder by a general item (i.e., one covering several articles), is insured specifically (without an excess provision) under this, or any other policy, then such general item shall apply as excess over the specific insurance and pay only for any actual loss sustained over the amount of specific insurance.

8. Duties after loss. A. In case of a loss to covered property caused by a peril insured against, the insured must:

   1. Give immediate written notice to this Association of the facts related to the claim.
   2. a. Protect the property from further damage.
   b. Make temporary repairs to protect the property.
   c. Keep an accurate record of repair expenses.

   3. Furnish a complete inventory of damaged personal property showing the quantity, description and amount of loss. Attach all bills, receipts and related documents which the insured has that justify the figures in the inventory.

   B. After written notice the Association reasonably requires:

   a. Provide the Association access to the damaged property.
   b. Provide the Association with pertinent records and documents requested and permit copies to be made.
   c. Submit to examination under oath and sign and swear to it.

   5. Upon request, send to this Association a signed sworn proof of loss within 91 days of the request on a form supplied by this Association. This Association must request a signed sworn proof of loss within 15 days after receipt of the written notice or this Association waives its right to require a proof of loss. Such waiver will not waive this Association’s other rights under this policy. This proof of loss shall state, to the best knowledge and belief of the insured:

      a. The time and cause of loss.
      b. The interest of the insured and all others in the property involved including all liens on the property.
      c. Other insurance which may cover the loss.
      d. The actual cash value of each item of property and the amount of loss to each item.
      e. The name of the occupant and the occupancy of the building at the time of the loss.

   B. Within 15 days after the Association receives written notice of claim, this Association must:

      1. Acknowledge receipt of the claim. If the acknowledgement of the claim is not in writing, this Association will keep a record of the date, method and content of the acknowledgement.

      2. Begin any investigation of the claim.

      3. Specify the information the insured must provide in accordance with item A above.

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

      5. After this Association receives the information requested, this Association must notify the insured in writing within 15 business days, whether the claim will be paid or has been denied or whether more information is needed.

       D. If this Association does not approve payment of the claim or requires more time for processing the claim, the Association must:

       1. Give the reasons for denying the claim, or
       2. Give the reasons this Association requires additional time to process the claim. But, this Association must either approve or deny the claim within 45 days after the request for more time.

   C. Catastrophe claims. If a claim results from a weather related catastrophe or a major natural disaster, each claim handling deadline shwon under the Duties After Loss and Loss Payment pro- visions is extended for an additional 15 days. Catastrophe or Major Natural Disaster means a weather related event which:

       a. Is declared a disaster under the Texas Government Code Chapter 418, or
       b. Is determined to be a catastrophe by the Texas Department of Insurance.

   D. Appraisal. In case the insured and this Association shall fail to agree as to the actual cash value or the amount of loss, then, on the written demand of either, each shall select a competent and disinterested appraiser and notify the other of the appraiser selected within twenty days of such demand. The appraiser shall first select a compet- ent and disinterested umpire; and failing for fifteen days to agree upon such umpire, then, on request of the insured or this Association such umpire shall be selected by a judge of a district court of a judicial district where the loss occurred. The appraiser shall then appraise the loss, stating separately actual cash value and loss to each item; and, failing to agree, shall submit their differences only to the umpire. An award in writing, so itemized, of any two when filed with this Association, shall determine the amount of actual cash value and loss. Each appraiser shall be paid by the party selected him and the expenses of appraisal and umpire shall be paid by the parties equally.
PART TWO-

Association’s options. It shall be optional with this Association to take all, or any part, of the property at the agreed or appraised value, and also to repair, rebuild, or replace the property destroyed or damaged with other of like kind and quality within a reasonable time, upon giving notice of its intention so to do within thirty days after the receipt of the proof of loss herein required.

Abandonment. There can be no abandonment to this Association of any property.

Loss. A. If this Association notifies the insured that payment of claim or part of the claim will be made, this Association must pay within 5 business days after notification to the insured.

B. If payment of the claim or part of the claim requires the performance of an act by the insured, this Association must pay within 5 business days after the date the insured performs the act.

Dispute Resolution. Your legal action against us under this policy may not be sustainable unless you have complied with all the terms of the policy.

You may appeal any act, ruling or decision made by us, or bring a legal action against us, in accordance with Section 2210.551 and Section 2210.552 of the Texas Insurance Code. Your options under each section are as follows:

- Section 2210.551. APPEALS.
  - This section applies to a person insured under this chapter or an authorized representative of the person.

153 If you are aggrieved by an act, ruling, or decision of the association, you may appeal to the commissioner of insurance not later than the 30th day after the date of that act, ruling or decision. A hearing on an act, ruling, or decision of the association relating to the payment of, the amount of, or the denial of a particular claim shall be held, at the request of the claimant, in the county in which the insured property is located or in Travis County. A decision or order of the commissioner of insurance may be appealed to a district court in the county in which the covered property is located or a district court in Travis County.

Section 2210.552. CLAIM DISPUTES; VENUE.

161 A person insured under this chapter who is aggrieved by an act, ruling, or decision of the association relating to the payment of, the amount of, or the denial of a claim, may:

- appeal the act, ruling, or decision under Section 2210.551.

167 b) appeal the act, ruling, or decision under Section 2210.551.

This Association shall not be liable for loss directly or indirectly caused by or resulting from any utility failure including failure upon the part of the mortgagee to comply with any of the foregoing provisions hereof relating to appraisal and time of payment or be in whole or in part caused by, contributed to, or aggravated by any of the perils insured against by this policy.

NUCLEAR EXCLUSION CLAUSE. Loss by nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, or due to any act, event or condition incident to any of the foregoing, is not insured against by this policy, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by any of the perils insured against by this policy.

IN WITNESS WHEREOF, this Association has executed and attested these presents; but this policy shall not be valid unless countersigned by an Authorized Representative of the Texas Windstorm Insurance Association.

Secretary, Board of Directors

Chairman, Board of Directors

MORTGAGE Clause

(Without Contribution)

This policy may be cancelled as to the interest of any mortgagee named hereon by giving such mortgagee thirty days written notice.

If this Association shall claim that no liability existed as to the mortgagor or owner, it shall, to the extent of payment of loss to the mortgagor, be subrogated to all the mortgagor’s rights of recovery, but without impairing mortgagor’s right to sue; or it may pay off the mortgage debt and require an assignment thereof and of the mortgage.

The word “mortgagor” shall be construed to mean mortgagee or trustee.

It is understood and agreed that any provision relating to written notice of cancellation or non-renewal with respect to the mortgagee, applies only to the mortgagee specifically named in the policy and the Association is not required to give written notice of cancellation or non-renewal to any successor or assignee of the mortgagee specifically named in the policy.

This policy, as to the interest of the mortgagee only therein, shall not be invalidated by any act or neglect of the mortgagor or owner of the within described property, nor by any foreclosure or other proceedings or notice of sale relating to the property, nor by any change in the title or ownership of the property, nor by the occupation of the premises for purposes more hazardous than are permitted by this policy; PROVIDED that the mortgagee shall notify this Association of any change of ownership or increase of hazard which shall come to the knowledge of said mortgagee, and unless permitted by this policy, it shall be noted thereon; and PROVIDED further that upon failure of the insured to render proof of loss, such mortgagee, upon notice, shall render proof of loss in the form herein specified within ninety-one days thereafter and shall be subject to the provisions hereof relating to appraisal and time of payment and of dispute resolution.

Failure upon the part of the mortgagee to comply with any of the foregoing obligations shall render the insurance under this policy null and void as to the interest of the mortgagee.

Consequential LOSS Clause. This Association shall not be liable for loss directly or indirectly caused by or resulting from any utility failure including but not limited to power, heating or cooling failures, unless such failure results from physical damage to power, heating or cooling equipment situated on the premises where the property covered is located, caused by the peril(s) insured against.