

EXHIBIT A

Endorsement No. HO-161A
Effective
January 1, 2002

Homeowners Amendatory
Mandatory Endorsement
(Applicable to Form HO-A only)

SECTION I EXCLUSIONS, Exclusion 6. is added to read as follows:

6. **MOLD, FUNGI OR OTHER MICROBES.** We do not cover loss caused by or resulting from mold, fungi or other microbes.

This exclusion does not apply to an ensuing loss caused by fire, smoke, or explosion.

However, we do cover ensuing mold, fungi or other microbial losses caused by or resulting from sudden and accidental discharge, leakage or overflow of water if the sudden and accidental discharge, leakage or overflow of water loss would otherwise be covered under this policy.

Sudden and accidental shall include a physical loss 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 you detect or should have detected the loss.

For purposes of this exclusion, ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of property covered under Coverage A (Dwelling) and/or Coverage B (Personal Property).

We do not cover the cost for remediation, including testing of ensuing mold, fungi or other microbes. We do not cover any increase in expenses for Loss of Use and/or Debris Removal due to remediation and testing of ensuing mold, fungi or other microbes.

Remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace the covered property physically damaged by water. Remediation includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the **residence premises** or property.

Instructions

An insurer may discontinue the use of this endorsement when the amended language outlined above has been incorporated into the applicable homeowners coverage form. However, the amended language must be incorporated into the homeowners coverage form on or before January 1, 2003 at which time this endorsement, HO-161A, will automatically be withdrawn.

Prescribed by the Texas Department of Insurance
Endorsement No. HO-161A – Homeowners Amendatory Mandatory Endorsement
Effective January 1, 2002

EXHIBIT B

Endorsement No. HO-162A
Effective
January 1, 2002

Homeowners Amendatory
Mandatory Endorsement
(Applicable to Form HO-B only)

SECTION I – EXCLUSIONS, Exclusion 1. f. is amended to read as follows:

- f. We do not cover loss caused by:
- (1) wear and tear, deterioration or loss caused by any quality in property that causes it to damage or destroy itself.
 - (2) rust or rot.
 - (3) dampness of atmosphere, extremes of temperature.
 - (4) contamination.
 - (5) rats, mice, termites, moths or other insects.

We do cover ensuing loss caused by collapse of building or any part of the building, water damage or breakage of glass which is part of the building if the loss would otherwise be covered under this policy.

SECTION I – EXCLUSIONS, Exclusion 1. l. is added to read as follows:

- l. We do not cover loss caused by or resulting from mold, fungi or other microbes.

However, we do cover ensuing mold, fungi or other microbial losses caused by or resulting from sudden and accidental discharge, leakage or overflow of water or steam if the sudden and accidental discharge, leakage or overflow of water or steam loss would otherwise be covered under this policy.

Sudden and accidental shall include a physical loss 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 you detect or should have detected the loss.

For purposes of this exclusion, ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of property covered under Coverage A (Dwelling) and/or Coverage B (Personal Property).

We do not cover the cost for remediation, including testing of ensuing mold, fungi or other microbes. We do not cover any increase in expenses for Loss of Use and/or Debris Removal due to remediation and testing of ensuing mold, fungi or other microbes.

Remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace the covered property physically damaged by water or steam. Remediation includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the **residence premises** or property.

Instructions

An insurer may discontinue the use of this endorsement when the amended language outlined above has been incorporated into the applicable homeowners coverage form. However, the amended language must be incorporated into the homeowners coverage form on or before January 1, 2003 at which time this endorsement, HO-162A, will automatically be withdrawn.

Prescribed by the Texas Department of Insurance
Endorsement No. HO-162A – Homeowners Amendatory Mandatory Endorsement
Effective January 1, 2002

EXHIBIT C

Endorsement No. HO-163A
Effective
January 1, 2002

Homeowners Amendatory
Mandatory Endorsement
(Applicable to Form HO-C only)

SECTION I – EXCLUSIONS, Exclusion 1. i. is amended to read as follows:

- i. We do not cover loss caused by:
 - (1) wear and tear, deterioration or loss caused by any quality in property that causes it to damage or destroy itself.
 - (2) rust or rot.
 - (3) dampness of atmosphere, extremes of temperature.
 - (4) contamination.
 - (5) rats, mice, termites, moths or other insects.

This exclusion does not apply to loss caused by accidental discharge, leakage or overflow of water or steam from within a plumbing, heating or air conditioning system or household appliance. This includes the cost of tearing out and replacing any part of the building necessary to repair or replace the system or appliance.

We do cover ensuing loss caused by the collapse of building or any part of the building, water damage or breakage of glass which is part of the building, if the loss would otherwise be covered under this policy.

SECTION I – EXCLUSIONS, Exclusion 1. o. is added to read as follows:

- o. We do not cover loss caused by or resulting from mold, fungi or other microbes.

However, we do cover ensuing mold, fungi or other microbial losses caused by or resulting from sudden and accidental discharge, leakage or overflow of water or steam if the sudden and accidental discharge, leakage or overflow of water or steam loss would otherwise be covered under this policy.

Sudden and accidental shall include a physical loss 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 you detect or should have detected the loss.

For purposes of this exclusion, ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of property covered under Coverage A (Dwelling) and/or Coverage B (Personal Property).

We do not cover the cost for remediation, including for testing of ensuing mold, fungi or other microbes. We do not cover any increase in expenses for Loss of Use and/or Debris Removal due to remediation and testing of ensuing mold, fungi or other microbes.

Remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace the covered property physically damaged by water or steam. Remediation includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the **residence premises** or property.

Instructions

An insurer may discontinue the use of this endorsement when the amended language outlined above has been incorporated into the applicable homeowners coverage form. However, the amended language must be incorporated into the homeowners coverage form on or before January 1, 2003 at which time this endorsement, HO-163A, will automatically be withdrawn.

Prescribed by the Texas Department of Insurance
Endorsement No. HO-163A – Homeowners Amendatory Mandatory Endorsement
Effective January 1, 2002

EXHIBIT D

Endorsement No. HO-164A
Effective
January 1, 2002

Homeowners Amendatory
Mandatory Endorsement
(Applicable to Form HO-BT only)

SECTION I – EXCLUSIONS, Exclusion 6. is added to read as follows:

6. **MOLD, FUNGI OR OTHER MICROBES.** We do not cover loss caused by or resulting from mold, fungi or other microbes.

This exclusion does not apply to an ensuing loss caused by fire, smoke, or explosion.

However, we do cover ensuing mold, fungi or other microbial losses caused by or resulting from sudden and accidental discharge, leakage or overflow of water or steam if the sudden and accidental discharge, leakage or overflow of water or steam loss would otherwise be covered under this policy.

Sudden and accidental shall include a physical loss 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 you detect or should have detected the loss.

For purposes of this exclusion, ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of property covered under Coverage B (Personal Property).

We do not cover the cost for remediation, including testing of ensuing mold, fungi or other microbes. We do not cover any increase in expenses for Loss of Use and/or Debris Removal due to remediation and testing of ensuing mold, fungi or other microbes.

Remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace the covered property physically damaged by water or steam. Remediation includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the **residence premises** or property.

Instructions

An insurer may discontinue the use of this endorsement when the amended language outlined above has been incorporated into the applicable homeowners coverage form. However, the amended language must be incorporated into the homeowners coverage form on or before January 1, 2003 at which time this endorsement, HO-164A, will automatically be withdrawn.

Prescribed by the Texas Department of Insurance
Endorsement No. HO-164A – Homeowners Amendatory Mandatory Endorsement
Effective January 1, 2002

EXHIBIT E

Endorsement No. HO-165A
Effective
January 1, 2002

Homeowners Amendatory
Mandatory Endorsement
(Applicable to Form HO-B-CON only)

SECTION I – EXCLUSIONS, Exclusion 6. is added to read as follows:

6. **MOLD, FUNGI OR OTHER MICROBES.** We do not cover loss caused by or resulting from mold, fungi or other microbes.

This exclusion does not apply to an ensuing loss caused by fire, smoke, or explosion.

However, we do cover ensuing mold, fungi or other microbial losses caused by or resulting from sudden and accidental discharge, leakage or overflow of water or steam if the sudden and accidental discharge, leakage or overflow of water or steam loss would otherwise be covered under this policy.

Sudden and accidental shall include a physical loss 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 you detect or should have detected the loss.

For purposes of this exclusion, ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of property covered under Coverage B (Personal Property).

We do not cover the cost for remediation, including testing of ensuing mold, fungi or other microbes. We do not cover any increase in expenses for Loss of Use and/or Debris Removal due to remediation and testing of ensuing mold, fungi or other microbes.

Remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace the covered property physically damaged by water or steam. Remediation includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the **residence premises** or property.

Instructions

An insurer may discontinue the use of this endorsement when the amended language outlined above has been incorporated into the applicable homeowners coverage form. However, the amended language must be incorporated into the homeowners coverage form on or before January 1, 2003 at which time this endorsement, HO-165A, will automatically be withdrawn.

Prescribed by the Texas Department of Insurance
Endorsement No. HO-165A – Homeowners Amendatory Mandatory Endorsement
Effective January 1, 2002

EXHIBIT F

Endorsement No. HO-166A
Effective
January 1, 2002

Homeowners Amendatory
Mandatory Endorsement
(Applicable to Form HO-CT)

SECTION I – EXCLUSIONS, Exclusion 1. i. is amended to read as follows:

- i. We do not cover loss caused by:
- (1) wear and tear, deterioration or loss caused by any quality in property that causes it to damage or destroy itself.
 - (2) rust or rot.
 - (3) dampness of atmosphere, extremes of temperature.
 - (4) contamination.
 - (5) rats, mice, termites, moths or other insects.

This exclusion does not apply to loss caused by accidental discharge, leakage or overflow of water or steam from within a plumbing, heating or air conditioning system or household appliance.

We do cover an ensuing loss caused by the collapse of building or any part of the building, water damage or breakage of glass which is part of the building, if the loss would otherwise be covered under this policy.

SECTION I – EXCLUSIONS, Exclusion 1. n. is added to read as follows:

- n. We do not cover loss caused by or resulting from mold, fungi or other microbes.

However, we do cover ensuing mold, fungi or other microbial losses caused by or resulting from sudden and accidental discharge, leakage or overflow of water or steam if the sudden and accidental discharge, leakage or overflow of water or steam loss would otherwise be covered under this policy.

Sudden and accidental shall include a physical loss 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 you detect or should have detected the loss.

For purposes of this exclusion, ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of property covered under Coverage B (Personal Property).

We do not cover the cost for remediation, including testing of ensuing mold, fungi or other microbes. We do not cover any increase in expenses for Loss of Use and/or Debris Removal due to remediation, and testing of ensuing mold, fungi or other microbes.

Remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace the covered property physically damaged by water or steam. Remediation includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the **residence premises** or property.

Instructions

An insurer may discontinue the use of this endorsement when the amended language outlined above has been incorporated into the applicable homeowners coverage form. However, the amended language must be incorporated into the homeowners coverage form on or before January 1, 2003 at which time this endorsement, HO-166A, will automatically be withdrawn.

Prescribed by the Texas Department of Insurance
Endorsement No. HO-166A – Homeowners Amendatory Mandatory Endorsement
Effective January 1, 2002

EXHIBIT G

Endorsement No. HO-167A
Effective
January 1, 2002

Homeowners Amendatory
Mandatory Endorsement
(Applicable to Form HO-C-CON only)

SECTION I – EXCLUSIONS, Exclusion 1. i. is amended to read as follows:

- i. We do not cover loss caused by:
- (1) wear and tear, deterioration or loss caused by any quality in property that causes it to damage or destroy itself.
 - (2) rust or rot.
 - (3) dampness of atmosphere, extremes of temperature.
 - (4) contamination.
 - (5) rats, mice, termites, moths or other insects.

This exclusion does not apply to loss caused by accidental discharge, leakage or overflow of water or steam from within a plumbing, heating or air conditioning system or household appliance.

We do cover an ensuing loss caused by the collapse of building or any part of the building, water damage or breakage of glass which is part of the building, if the loss would otherwise be covered under this policy.

SECTION I – EXCLUSIONS, Exclusion 1. o. is added to read as follows:

- o. We do not cover loss caused by or resulting from mold, fungi or other microbes.

However, we do cover ensuing mold, fungi or other microbial losses caused by or resulting from sudden and accidental discharge, leakage or overflow of water or steam if the sudden and accidental discharge, leakage or overflow of water or steam loss would otherwise be covered under this policy.

Sudden and accidental shall include a physical loss 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 you detect or should have detected the loss.

For purposes of this exclusion, ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of property covered under Coverage B (Personal Property).

We do not cover the cost for remediation, including testing of ensuing mold, fungi or other microbes. We do not cover any increase in expenses for Loss of Use and/or Debris Removal due to remediation and testing of ensuing mold, fungi or other microbes.

Remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace the covered property physically damaged by water or steam. Remediation includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the **residence premises** or property.

Instructions

An insurer may discontinue the use of this endorsement when the amended language outlined above has been incorporated into the applicable homeowners coverage form. However, the amended language must be incorporated into the homeowners coverage form on or before January 1, 2003 at which time this endorsement, HO-167A, will automatically be withdrawn.

Prescribed by the Texas Department of Insurance
Endorsement No. HO-167A – Homeowners Amendatory Mandatory Endorsement
Effective January 1, 2002

EXHIBIT H

Endorsement No. TDP-004A
Effective
January 1, 2002

Dwelling Amendatory
Mandatory Endorsement
(Applicable to Forms TDP-1 and TDP-2 only)

GENERAL EXCLUSIONS, Exclusion 7. is added to read as follows:

7. **MOLD, FUNGI OR OTHER MICROBES.** We do not cover loss caused by or resulting from mold, fungi or other microbes.

This exclusion does not apply to an ensuing loss caused by fire, smoke, or explosion.

However, we do cover ensuing mold, fungi or other microbial losses caused by or resulting from sudden and accidental discharge, leakage or overflow of water if the sudden and accidental discharge, leakage or overflow of water loss would otherwise be covered under this policy.

Sudden and accidental shall include a physical loss 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 you detect or should have detected the loss.

For purposes of this exclusion, ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of property covered under Coverage A (Dwelling) and/or Coverage B (Personal Property).

We do not cover the cost for remediation, including testing of ensuing mold, fungi or other microbes. We do not cover any increase in expenses for Fair Rental Value (if applicable) and/or Debris Removal due to remediation and testing of ensuing mold, fungi or other microbes.

Remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace the covered property physically damaged by water. Remediation includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the dwelling on the described location or property.

Instructions

An insurer may discontinue the use of this endorsement when the amended language outlined above has been incorporated into the applicable dwelling coverage form. However, the amended language must be incorporated into the dwelling coverage form on or before January 1, 2003 at which time this endorsement, TDP-004A, will automatically be withdrawn.

Prescribed by the Texas Department of Insurance
Endorsement No. TDP-004A – Dwelling Amendatory Mandatory Endorsement
Effective January 1, 2002

EXHIBIT I

Endorsement No. TDP-005A
Effective
January 1, 2002

Dwelling Amendatory
Mandatory Endorsement
(Applicable to Form TDP-3 only)

GENERAL EXCLUSIONS, Exclusion 1. g. is amended to read as follows:

- g. We do not cover loss caused by:
- (1) wear and tear, deterioration or any quality in property that causes it to damage or destroy itself.
 - (2) rust or rot.
 - (3) dampness of atmosphere, extremes of temperature.
 - (4) contamination.
 - (5) rats, mice, termites, moths or other insects.

We do cover ensuing loss caused by collapse of building or any part of the building, water damage or breakage of glass which is part of the building if the loss would otherwise be covered under this policy.

GENERAL EXCLUSIONS, Exclusion 1. m. is added to read as follows:

- m. We do not cover loss caused by or resulting from mold, fungi or other microbes.

However, we do cover ensuing mold, fungi or other microbial losses caused by or resulting from sudden and accidental discharge, leakage or overflow of water or steam if the sudden and accidental discharge, leakage or overflow of water or steam loss would otherwise be covered under this policy.

Sudden and accidental shall include a physical loss 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 you detect or should have detected the loss.

For purposes of this exclusion, ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of property covered under Coverage A (Dwelling) and/or Coverage B (Personal Property).

We do not cover the cost for remediation, including testing of ensuing mold, fungi or other microbes damage. We do not cover any increase in expenses for Loss of Use and/or Debris Removal due to remediation and testing of ensuing mold, fungi or other microbes.

Remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace the covered property physically damaged by water or steam. Remediation includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the dwelling on the described location or property.

Instructions

An insurer may discontinue the use of this endorsement when the amended language outlined above has been incorporated into the applicable dwelling coverage form. However, the amended language must be incorporated into the dwelling coverage form on or before January 1, 2003 at which time this endorsement, TDP-005A, will automatically be withdrawn

Prescribed by the Texas Department of Insurance
Endorsement No. TDP-005A – Dwelling Amendatory Mandatory Endorsement
Effective January 1, 2002

EXHIBIT J

Endorsement No. HO-161
Effective
January 1, 2002

MOLD, FUNGI OR OTHER
MICROBES COVERAGE
(Applicable to Form HO-A only)

For an included additional premium, **SECTION I - EXCLUSIONS**, Exclusion 6. contained in the policy is amended to the extent coverage is provided by this endorsement.

1. **MOLD, FUNGI OR OTHER MICROBES.** We do cover the necessary and reasonable expenses to remediate, repair or replace covered property described in Coverage A (Dwelling) and/or Coverage B (Personal Property) for loss caused by ensuing mold, fungi or other microbes resulting from water damage if the water damage loss would otherwise be covered under this policy.

The maximum limit of liability for this coverage is shown on the declarations page. This is not additional insurance and does not increase the limit of liability for Coverage A (Dwelling) and/or Coverage B (Personal Property).

2. **LOSS OF USE.** If a loss caused by mold or other fungi covered under item 1. above makes the **residence premises** wholly or partially untenantable, we cover:
 - a. additional living expense, meaning any necessary and reasonable increase in living expense you incur so that your household can maintain its normal standard of living.
 - b. fair rental value, meaning the fair rental value of that part of the **residence premises** usually rented to others by you, less any expenses that do not continue.

The total limit of liability for all loss of use is included in the maximum limit of liability for this coverage as shown on the declarations page. The deductible clause does not apply to loss of use coverage.

Payment will be for the reasonable time required to remediate, repair or replace the damaged property. If you permanently relocate, payment will be for the reasonable time required for your household to become settled.

The periods of time for loss of use are not limited by expiration of this policy.

3. **LOSS SETTLEMENT.** Our limit of liability for ensuing mold, fungi or other microbial losses covered under items 1. and 2. above is the most we will pay for the sum of all losses regardless of the number of losses that occur during the policy period stated on the declarations page.

For the purpose of this endorsement, remediate means to treat, contain, remove or dispose of mold, fungi or other microbes as required to complete repair or replacement of covered property physically damaged by ensuing mold, fungi or other microbes caused by covered water damage, including any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the **residence premises** or property.

All other terms of the policy apply.

EXHIBIT K

Endorsement No. HO-162
Effective
January 1, 2002

MOLD, FUNGI OR OTHER
MICROBES COVERAGE
(Applicable to Form HO-B only)

For an included additional premium, **SECTION I – EXCLUSIONS**, Exclusion 1. I. contained in the policy is amended to the extent coverage is provided by this endorsement.

1. **MOLD, FUNGI OR OTHER MICROBES.** We do cover the necessary and reasonable expenses to remediate, repair or replace covered property described in Coverage A (Dwelling) and/or Coverage B (Personal Property) for loss caused by ensuing mold, fungi or other microbes resulting from water or steam damage if the water or steam damage loss would otherwise be covered under this policy.

The maximum limit of liability for this coverage is shown on the declarations page. This is not additional insurance and does not increase the limit of liability for Coverage A (Dwelling) and/or Coverage B (Personal Property).

2. **LOSS OF USE.** If a loss caused by mold, fungi or other microbes covered under item 1. above makes the residence premises wholly or partially untenantable, we cover:
 - a. additional living expense, meaning any necessary and reasonable increase in living expense you incur so that your household can maintain its normal standard of living.
 - b. fair rental value, meaning the fair rental value of that part of the residence premises usually rented to others by you, less any expenses that do not continue.

The total limit of liability for all loss of use is included in the maximum limit of liability for this coverage as shown on the declarations page. The deductible clause does not apply to loss of use coverage.

Payment will be for the reasonable time required to remediate, repair or replace the damaged property. If you permanently relocate, payment will be for the reasonable time required for your household to become settled.

The periods of time for loss of use are not limited by expiration of this policy.

3. **LOSS SETTLEMENT.** Our limit of liability for ensuing mold, fungi or other microbial losses covered under items 1. and 2. above is the most we will pay for the sum of all losses regardless of the number of losses that occur during the policy period stated on the declarations page.

For the purpose of this endorsement, remediate means to treat, contain, remove or dispose of mold, fungi or other microbes as required to complete repair or replacement of covered property physically damaged by ensuing mold, fungi or other microbes caused by covered water or steam damage, including any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the residence premises or property.

All other terms of the policy apply.

EXHIBIT L

Endorsement No. HO-163
Effective
January 1, 2002

MOLD, FUNGI OR OTHER
MICROBES COVERAGE
(Applicable to Form HO-C only)

For an included additional premium, **SECTION I – EXCLUSIONS**, Exclusion 1. o. contained in the policy is amended to the extent coverage is provided by this endorsement.

1. **MOLD, FUNGI OR OTHER MICROBES.** We do cover the necessary and reasonable expenses to remediate, repair or replace covered property described in Coverage A (Dwelling) and/or Coverage B (Personal Property) for loss caused by ensuing mold, fungi or other microbes resulting from water or steam damage if the water or steam damage loss would otherwise be covered under this policy.

The maximum limit of liability for this coverage is shown on the declarations page. This is not additional insurance and does not increase the limit of liability for Coverage A (Dwelling) and/or Coverage B (Personal Property).

2. **LOSS OF USE.** If a loss caused by mold, fungi or other microbes covered under item 1. above makes the residence premises wholly or partially untenantable, we cover:
 - a. additional living expense, meaning any necessary and reasonable increase in living expense you incur so that your household can maintain its normal standard of living.
 - b. fair rental value, meaning the fair rental value of that part of the residence premises usually rented to others by you, less any expenses that do not continue.

The total limit of liability for all loss of use is included in the maximum limit of liability for this coverage as shown on the declarations page. The deductible clause does not apply to loss of use coverage.

Payment will be for the reasonable time required to remediate, repair or replace the damaged property. If you permanently relocate, payment will be for the reasonable time required for your household to become settled.

The periods of time for loss of use are not limited by expiration of this policy.

3. **LOSS SETTLEMENT.** Our limit of liability for ensuing mold, fungi or other microbial losses covered under items 1. and 2. above is the most we will pay for the sum of all losses regardless of the number of losses that occur during the policy period stated on the declarations page.

For the purpose of this endorsement, remediate means to treat, contain, remove or dispose of mold, fungi or other microbes as required to complete repair or replacement of covered property physically damaged by ensuing mold, fungi or other microbes caused by covered water or steam damage, including any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the residence premises or property.

All other terms of the policy apply.

Prescribed by the Texas Department of Insurance
Endorsement No. HO-163 – Mold, Fungi or Other Microbes Coverage
Effective January 1, 2002

EXHIBIT M

Endorsement No. HO-164
Effective
January 1, 2002

MOLD, FUNGI OR OTHER MICROBES COVERAGE (Applicable to Form HO-BT only)

For an included additional premium, **SECTION I – EXCLUSIONS**, Exclusion 6. contained in the policy is amended to the extent coverage is provided by this endorsement.

1. **MOLD, FUNGI OR OTHER MICROBES.** We do cover the necessary and reasonable expenses to remediate, repair or replace covered property described in Coverage B (Personal Property) for loss caused by ensuing mold, fungi or other microbes resulting from water or steam damage if the water or steam damage loss would otherwise be covered under this policy.

The maximum limit of liability for this coverage is shown on the declarations page. This is not additional insurance and does not increase the limit of liability for Coverage B (Personal Property).

2. **LOSS OF USE.** If a loss caused by mold, fungi or other microbes covered under item 1. above makes the residence premises wholly or partially untenantable, we cover:
 - a. additional living expense, meaning any necessary and reasonable increase in living expense you incur so that your household can maintain its normal standard of living.
 - b. fair rental value, meaning the fair rental value of that part of the residence premises usually rented to others by you, less any expenses that do not continue.

The total limit of liability for all loss of use is included in the maximum limit of liability for this coverage as shown on the declarations page. The deductible clause does not apply to loss of use coverage.

Payment will be for the reasonable time required to remediate, repair or replace the damaged property. If you permanently relocate, payment will be for the reasonable time required for your household to become settled.

The periods of time for loss of use are not limited by expiration of this policy.

3. **LOSS SETTLEMENT.** Our limit of liability for ensuing mold, fungi or other microbial losses covered under items 1. and 2. above is the most we will pay for the sum of all losses regardless of the number of losses that occur during the policy period stated on the declarations page.

For the purpose of this endorsement, remediate means to treat, contain, remove or dispose of mold, fungi or other microbes as required to complete repair or replacement of covered property physically damaged by ensuing mold, fungi or other microbes caused by covered water or steam damage, including any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the residence premises or property.

All other terms of the policy apply.

EXHIBIT N

Endorsement No. HO-165
Effective
January 1, 2002

MOLD, FUNGI OR OTHER
MICROBES COVERAGE
(Applicable to Form HO-B-CON only)

For an included additional premium, **SECTION I – EXCLUSIONS**, Exclusion 6. contained in the policy is amended to the extent coverage is provided by this endorsement.

1. **MOLD, FUNGI OR OTHER MICROBES.** We do cover the necessary and reasonable expenses to remediate, repair or replace covered property described in Coverage B (Personal Property) for loss caused by ensuing mold, fungi or other microbes resulting from water or steam damage if the water or steam damage loss would otherwise be covered under this policy.

The maximum limit of liability for this coverage is shown on the declarations page. This is not additional insurance and does not increase the limit of liability for Coverage B (Personal Property).

2. **LOSS OF USE.** If a loss caused by mold, fungi or other microbes covered under item 1. above makes the residence premises wholly or partially untenantable, we cover:
 - a. additional living expense, meaning any necessary and reasonable increase in living expense you incur so that your household can maintain its normal standard of living.
 - b. fair rental value, meaning the fair rental value of that part of the residence premises usually rented to others by you, less any expenses that do not continue.

The total limit of liability for all loss of use is included in the maximum limit of liability for this coverage as shown on the declarations page. The deductible clause does not apply to loss of use coverage.

Payment will be for the reasonable time required to remediate, repair or replace the damaged property. If you permanently relocate, payment will be for the reasonable time required for your household to become settled.

The periods of time for loss of use are not limited by expiration of this policy.

3. **LOSS SETTLEMENT.** Our limit of liability for ensuing mold, fungi or other microbial losses covered under items 1. and 2. above is the most we will pay for the sum of all losses regardless of the number of losses that occur during the policy period stated on the declarations page.

For the purpose of this endorsement, remediate means to treat, contain, remove or dispose of mold, fungi or other microbes as required to complete repair or replacement of covered property physically damaged by ensuing mold, fungi or other microbes caused by covered water or steam damage, including any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the residence premises or property.

All other terms of the policy apply.

Prescribed by the Texas Department of Insurance
Endorsement No. HO-165 – Mold, Fungi or Other Microbes Coverage
Effective January 1, 2002

EXHIBIT O

Endorsement No. HO-166
Effective
January 1, 2002

MOLD, FUNGI OR OTHER
MICROBES COVERAGE
(Applicable to Form HO-CT only)

For an included additional premium, **SECTION I - EXCLUSIONS**, Exclusion 1. n. contained in the policy is amended to the extent coverage is provided by this endorsement.

1. **MOLD, FUNGI OR OTHER MICROBES.** We do cover the necessary and reasonable expenses to remediate, repair or replace covered property described in Coverage B (Personal Property) for loss caused by ensuing mold, fungi or other microbes resulting from water or steam damage if the water or steam damage loss would otherwise be covered under this policy.

The maximum limit of liability for this coverage is shown on the declarations page. This is not additional insurance and does not increase the limit of liability for Coverage B (Personal Property).

2. **LOSS OF USE.** If a loss caused by mold, fungi or other microbes covered under item 1. above makes the residence premises wholly or partially untenantable, we cover:
 - a. additional living expense, meaning any necessary and reasonable increase in living expense you incur so that your household can maintain its normal standard of living.
 - b. fair rental value, meaning the fair rental value of that part of the residence premises usually rented to others by you, less any expenses that do not continue.

The total limit of liability for all loss of use is included in the maximum limit of liability for this coverage as shown on the declarations page. The deductible clause does not apply to loss of use coverage.

Payment will be for the reasonable time required to remediate, repair or replace the damaged property. If you permanently relocate, payment will be for the reasonable time required for your household to become settled.

The periods of time for loss of use are not limited by expiration of this policy.

3. **LOSS SETTLEMENT.** Our limit of liability for ensuing mold, fungi or other microbial losses covered under items 1. and 2. above is the most we will pay for the sum of all losses regardless of the number of losses that occur during the policy period stated on the declarations page.

For the purpose of this endorsement, remediate means to treat, contain, remove or dispose of mold, fungi or other microbes as required to complete repair or replacement of covered property physically damaged by ensuing mold, fungi or other microbes caused by covered water or steam damage, including any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the residence premises or property.

All other terms of the policy apply.

Prescribed by the Texas Department of Insurance
Endorsement No. HO-166 – Mold, Fungi or Other Microbes Coverage
Effective January 1, 2002

EXHIBIT P

Endorsement No. HO-167
Effective
January 1, 2002

**MOLD, FUNGI OR OTHER
MICROBES COVERAGE**
(Applicable to Form HO-C-CON only)

For an included additional premium, **SECTION I – EXCLUSIONS**, Exclusion 1. o. contained in the policy is amended to the extent coverage is provided by this endorsement.

1. **MOLD, FUNGI OR OTHER MICROBES.** We do cover the necessary and reasonable expenses to remediate, repair or replace covered property described in Coverage B (Personal Property) for loss caused by ensuing mold, fungi or other microbes resulting from water or steam damage if the water or steam damage loss would otherwise be covered under this policy.

The maximum limit of liability for this coverage is shown on the declarations page. This is not additional insurance and does not increase the limit of liability for Coverage B (Personal Property).

2. **LOSS OF USE.** If a loss caused by mold, fungi or other microbes covered under item 1. above makes the residence premises wholly or partially untenantable, we cover:
 - a. additional living expense, meaning any necessary and reasonable increase in living expense you incur so that your household can maintain its normal standard of living.
 - b. fair rental value, meaning the fair rental value of that part of the residence premises usually rented to others by you, less any expenses that do not continue.

The total limit of liability for all loss of use is included in the maximum limit of liability for this coverage as shown on the declarations page. The deductible clause does not apply to loss of use coverage.

Payment will be for the reasonable time required to remediate, repair or replace the damaged property. If you permanently relocate, payment will be for the reasonable time required for your household to become settled.

The periods of time for loss of use are not limited by expiration of this policy.

3. **LOSS SETTLEMENT.** Our limit of liability for ensuing mold, fungi or other microbial losses covered under items 1. and 2. above is the most we will pay for the sum of all losses regardless of the number of losses that occur during the policy period stated on the declarations page.

For the purpose of this endorsement, remediate means to treat, contain, remove or dispose of mold, fungi or other microbes as required to complete repair or replacement of covered property physically damaged by ensuing mold, fungi or other microbes caused by covered water or steam damage, including any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the residence premises or property.

All other terms of the policy apply.

Prescribed by the Texas Department of Insurance
Endorsement No. HO-167 – Mold, Fungi or Other Microbes Coverage
Effective January 1, 2002

EXHIBIT Q

Endorsement No. TDP-004
Effective
January 1, 2002

MOLD, FUNGI OR OTHER
MICROBES COVERAGE
(Applicable to Forms TDP-1 and
TDP-2 only)

For an included additional premium, **GENERAL EXCLUSIONS**, Exclusion 7. contained in the policy is amended to the extent coverage is provided by this endorsement.

1. **MOLD, FUNGI OR OTHER MICROBES.** We do cover the necessary and reasonable expenses to remediate, repair or replace covered property described in Coverage A (Dwelling) and/or Coverage B (Personal Property) for loss caused by ensuing mold, fungi or other microbes resulting from water damage if the water damage loss would otherwise be covered under this policy.

The maximum limit of liability for this coverage is shown on the declarations page. This is not additional insurance and does not increase the limit of liability for Coverage A (Dwelling) and/or Coverage B (Personal Property).

2. **FAIR RENTAL VALUE.** If a loss caused by mold, fungi or other microbes covered under item 1. above makes the dwelling on the described location wholly or partially untenantable, we cover fair rental value, meaning the fair rental value of that part of the dwelling on the described location usually rented to others by you, less any expenses that do not continue.

The total limit of liability for fair rental value is included in the maximum limit of liability for this coverage as shown on the declarations page. The deductible clause does not apply to loss of use coverage.

Payment will be for the reasonable time required to remediate, repair or replace the damaged property. If you permanently relocate, payment will be for the reasonable time required for your household to become settled.

The periods of time for rental value coverage is not limited by expiration of this policy.

Fair rental value is only available if Endorsement No. TDP-017 (TDP-1 only) or TDP-018 (TDP-2 only) is attached to the policy and shown on the declarations page.

3. **LOSS SETTLEMENT.** Our limit of liability for ensuing mold, fungi or other microbial losses covered under items 1. and 2. above is the most we will pay for the sum of all losses regardless of the number of losses that occur during the policy period stated on the declarations page.

For the purpose of this endorsement, remediate means to treat, contain, remove or dispose of mold, fungi or other microbes as required to complete repair or replacement of covered property physically damaged by ensuing mold, fungi or other microbes caused by covered water damage, including any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the dwelling on the described or property.

All other terms of the policy apply.

Prescribed by the Texas Department of Insurance
Endorsement No. TDP-004 – Mold, Fungi or Other Microbes Coverage
Effective January 1, 2002

EXHIBIT R

Endorsement No. TDP-005
Effective
January 1, 2002

MOLD, FUNGI OR OTHER
MICROBES COVERAGE
(Applicable to Form TDP-3 only)

For an included additional premium, **GENERAL EXCLUSIONS**, Exclusion 1. m. contained in the policy is amended to the extent coverage is provided by this endorsement.

1. **MOLD, FUNGI OR OTHER MICROBES.** We do cover the necessary and reasonable expenses to remediate, repair or replace covered property described in Coverage A (Dwelling) and/or Coverage B (Personal Property) for loss caused by ensuing mold, fungi or other microbes resulting from water or steam damage if the water or steam damage loss would otherwise be covered under this policy.

The maximum limit of liability for this coverage is shown on the declarations page. This is not additional insurance and does not increase the limit of liability for Coverage A (Dwelling) and/or Coverage B (Personal Property).

2. **LOSS OF USE.** If a loss caused by mold, fungi or other microbes covered under item 1. above makes the dwelling on the described location wholly or partially untenantable, we cover:
 - a. additional living expense, meaning any necessary and reasonable increase in living expense you incur so that your household can maintain its normal standard of living.
 - b. fair rental value, meaning the fair rental value of that part of the dwelling on the described location usually rented to others by you, less any expenses that do not continue.

The total limit of liability for all loss of use is included in the maximum limit of liability for this coverage as shown on the declarations page. The deductible clause does not apply to loss of use coverage.

Payment will be for the reasonable time required to remediate, repair or replace the damaged property. If you permanently relocate, payment will be for the reasonable time required for your household to become settled.

The periods of time for loss of use are not limited by expiration of this policy.

3. **LOSS SETTLEMENT.** Our limit of liability for ensuing mold, fungi or other microbial losses covered under items 1. and 2. above is the most we will pay for the sum of all losses regardless of the number of losses that occur during the policy period stated on the declarations page.

For the purpose of this endorsement, remediate means to treat, contain, remove or dispose of mold, fungi or other microbes as required to complete repair or replacement of covered property physically damaged by ensuing mold, fungi or other microbes caused by covered water or steam damage, including any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the dwelling on the described location or property.

All other terms of the policy apply.

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ENDORSEMENT NO. HO-170
Effective
January 1, 2002

ADDITIONAL EXTENDED COVERAGE
(For use with Form HO-A)

For an included additional premium, we insure direct loss to property described in Coverage A (Dwelling) and Coverage B (Personal Property) caused by perils listed below. But we do not cover loss that is excluded in the EXCLUSIONS section of this endorsement.

1. Accidental discharge, leakage or overflow of water or steam from within a plumbing, heating or air conditioning system or household appliance.

A loss from this peril includes the cost of tearing out and replacing any part of the building necessary to repair or replace the system or appliance. But this does not include loss to the system or appliance from which the water or steam escaped.
2. Sudden and accidental tearing apart, cracking, burning or bulging of steam or hot water heating or storage systems in a building(s). The loss must be caused by pressure of water or steam in the system or the deficiency of water or steam in the system.
3. Vandalism and Malicious Mischief. This includes damage to a building by burglars. We do not cover loss by pilferage, theft, burglary or larceny.
4. Vehicles owned or operated by an **insured** or by a tenant of the **residence premises**. Loss must result from actual physical contact of a vehicle with covered property or with the building containing the covered property.
5. Fall of trees or limbs, including felling, topping or trimming.
6. Objects falling from the weight of ice, snow or sleet.
7. Freezing of plumbing, heating and air conditioning systems and household appliances.
8. Collapse of building or any part of the building. We do not cover loss resulting from subsidence.
9. Landslide. We do not cover loss resulting from subsidence.
10. Breakage of glass which is part of the building including glass in storm doors and storm windows.

EXCLUSIONS. The following exclusions apply only to the additional perils provided in this endorsement.

We do not cover:

1. loss caused directly or indirectly by:
 - a. earthquake.
 - b. flood, surface water, waves, tide or tidal wave, high water or overflow of streams or bodies of water, whether or not driven by wind.
2. loss resulting from freezing while the building is unoccupied unless you have used reasonable care to:
 - a. maintain heat in the building.
 - b. shut off the water supply and drain plumbing, heating and air conditioning systems of water.

This exclusion applies only to the Perils 1, 2 & 7 shown above.

3. loss to outdoor equipment, fences, driveways, walks, lawns, trees, shrubs and plants or retaining walls and bulkheads not a part of the building.

This exclusion applies only to the Perils 3, 4, 5, 6, 8, & 9 shown above.

4. loss caused by or resulting from mold, fungi or other microbes.

However, we do cover ensuing mold, fungi or other microbial losses caused by or resulting from sudden and accidental discharge, leakage or overflow of water or steam if the sudden and

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accidental discharge, leakage or overflow of water or steam loss would otherwise be covered under this endorsement.

Sudden and accidental shall include a physical loss 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 you detect or should have detected the loss.

For purposes of this exclusion, ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of property covered under Coverage A (Dwelling) and/or Coverage B (Personal Property).

We do not cover the cost for remediation, including testing of ensuing mold, fungi or other microbial damage. We do not cover any increase in expenses for Loss of Use and/or Debris Removal due to remediation, and testing of ensuing mold, fungi or other microbes.

Remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace the covered property physically damaged by water or steam. Remediation includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of the **residence premises** or property.

Texas Personal Lines Manual

HOMEOWNERS SECTION

IV. Additional Coverages & Endorsements

When additional coverages or endorsements are added to the Texas Homeowners Policy, the endorsement must be attached to the policy. In addition the endorsement number, description, limit of liability (if applicable), and premium charge (if applicable) must be shown on the declarations page under Other Coverages and Endorsements.

A. Section I Mandatory Offer Endorsements

Mold, Fungi or Other Microbes Coverage – All applicants offered a Texas Homeowners Policy shall also be offered at time of application for insurance the Mold, Fungi or Other Microbes Coverage endorsement. Coverage is available with limits of liability for 25%, 50% and 100% of Coverage A (Dwelling), Coverage B (Personal Property) and Loss of Use. All coverage limits shall be offered to each applicant.

Insurers may file to offer a limit of liability selection option in lieu of the 25% and/or 50% selection options subject to prior approval by the Commissioner. However, the 100% limit of liability selection option shall be offered in conjunction with the approved selection option(s).

An insurer may not condition the sale of a Texas Homeowners Policy based on an insured's selection option.

Exception: An insurer may decline a selection option to purchase the Mold, Fungi or Other Microbes Coverage endorsement if the denial is based upon sound underwriting principles reasonably related to an actual or anticipated mold or other fungi loss exposure for each risk.

HO-161 is applicable to HO-A
HO-162 is applicable to HO-B
HO-163 is applicable to HO-C
HO-164 is applicable to HO-BT
HO-165 is applicable to HO-B-CON
HO-166 is applicable to HO-CT
HO-167 is applicable to HO-C-CON

EXAMPLE: HO-B policy with a 50% limit of liability for Mold, Fungi or Other Microbes Coverage: Policy limits of \$100,000 Coverage A (Dwelling), \$60,000 Coverage B (Personal Property), and \$20,000 Loss of Use will have mold, fungi or other microbe limits of \$50,000 Coverage (A) Dwelling, \$30,000 Coverage B (Personal Property) and \$10,000 Loss of Use for loss caused by mold, fungi or other microbes.

***NOTE:** Current insureds shall be offered the Mold, Fungi or Other Microbes Coverage endorsement upon the first policy renewal after the effective date and implementation of this rule without having to make a request for coverage.

CONSUMER NOTICE REQUIREMENTS

Insurers shall provide a clear explanation of selection options available to each applicant that outlines the available coverage and the premium charge associated with each option. The actual selection of each applicant must be documented with a signed explanation and selection of mold, fungi or other microbes coverage notice. The following sample language will satisfy these requirements:

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For each selection option contained in this notice, remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace your covered property physically damaged by water or steam. Remediation also includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of covered property.

OPTION 1: You have the option to purchase a policy for \$_____ that provides coverage for ensuing mold, fungi or other microbial losses caused by or resulting from a sudden and accidental discharge, leakage or overflow of water or steam if the sudden and accidental discharge, leakage or overflow of water or steam is covered under the policy. Sudden and accidental includes a physical loss that is hidden or concealed for a period of time until it is detectable.

Ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of covered property.

However, this policy does not provide coverage for the cost of remediation, including testing of ensuing mold, fungi or other microbes or certain increases in expenses, such as additional living expenses or debris removal, due to the remediation or testing for mold, fungi or other microbes.

OPTION 2: You have the option to purchase a policy for \$_____ with a 25% limit of liability for Coverage A (Dwelling) and Coverage B (Personal Property) that provides coverage for the cost to remediate, (including testing) repair or replace covered property due to loss caused by ensuing mold, fungi or other microbes resulting from water or steam damage if such loss would otherwise be covered. This option also provides 25% of the loss of use limit of liability to pay for additional living expenses or fair rental value if a loss caused by mold, fungi or other microbes that results from a water or steam loss that is covered under your policy makes your residence premises wholly or partially untenantable.

OPTION 3: You have the option to purchase a policy for \$_____ that provides the same coverage as option 2, except the limit of liability for Coverage A (Dwelling), Coverage B (Personal Property) and Loss of Use is 50%.

OPTION 4: You have the option to purchase a policy for \$_____ that provides the same coverage as option 2, except the limit of liability for Coverage A (Dwelling), Coverage B (Personal Property) and Loss of Use is 100%.

B. Section I Optional Endorsements

1. through 20. (No change)

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C. Section II Optional Endorsements

1. through 7. (No change)

D. Section I & II Optional Endorsements

1. through 6. (No change)

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Texas Personal Lines Manual

DWELLING SECTION

IV. Endorsements

When additional coverages or endorsements are added to the Texas Dwelling Policy, the endorsement must be attached to the policy. In addition the endorsement number, description, limit of liability (if applicable), and premium charge (if applicable) must be shown on the declarations page under Other Coverages and Endorsements.

Mandatory Offer Endorsements

Mold, Fungi or Other Microbes Coverage - All applicants offered a Texas Dwelling Policy shall also be offered at time of application for insurance the Mold, Fungi or Other Microbes Coverage endorsement. Coverage is available with limits of liability for 25%, 50% and 100% of the Coverage A (Dwelling), and Coverage B (Personal Property), Loss of Use, and Fair Rental Value, if applicable. All coverage limits shall be offered to each applicant.

Insurers may file to offer a limit of liability selection option in lieu of the 25% and/or 50% selection options subject to prior approval by the Commissioner. However, the 100% limit of liability selection option shall be offered in conjunction with the approved selection option(s).

An insurer may not condition the sale of a Texas Dwelling Policy based on an insured's selection option.

Exception: An insurer may decline a selection option to purchase the Mold, Fungi or Other Microbes Coverage endorsement if the denial is based upon sound underwriting principles reasonably related to an actual or anticipated mold or other fungi loss exposure for each risk.

TDP-004 is applicable to TDP-1 and TDP-2

TDP-005 is applicable to TDP-3

EXAMPLE: TDP-3 policy with a 50% limit of liability for Mold, Fungi or Other Microbes Coverage: Policy limits of \$100,000 Coverage A (Dwelling), \$60,000 Coverage B (Personal Property), and \$20,000 Loss of Use will have mold, fungi or other microbe limits of \$50,000 Coverage (A) Dwelling, \$30,000 Coverage B (Personal Property) and \$10,000 Loss of Use for loss caused by mold, fungi or other microbes.

***NOTE:** Current insureds shall be offered the Mold, Fungi or Other Microbes Coverage endorsement upon the first policy renewal after the effective date and implementation of this rule without having to make a request.

CONSUMER NOTICE REQUIREMENTS

Insurers shall provide a clear explanation of selection options available to each applicant that outlines the available coverage and the premium charge associated with each option. The actual selection of each applicant must be documented with a signed explanation and selection of mold, fungi or other microbes coverage notice. The following sample language will satisfy these requirements:

For each selection option contained in this notice, remediation means to treat, contain, remove or dispose of mold, fungi or other microbes beyond that which is required to repair or replace your covered property physically damaged by water or steam. Remediation also includes any testing to detect, measure or evaluate mold, fungi or other microbes and any decontamination of covered property.

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OPTION 1: You have the option to purchase a policy for \$_____ that provides coverage for ensuing mold, fungi or other microbial losses caused by or resulting from a sudden and accidental, discharge, leakage or overflow of water or steam if the sudden and accidental discharge, leakage or overflow of water or steam is covered under the policy. Sudden and accidental includes a physical loss that is hidden or concealed for a period of time until it is detectable.

Ensuing mold, fungi or other microbial losses covered under this policy include reasonable and necessary repair or replacement of covered property.

However, this policy does not provide coverage for the cost of remediation, including testing of ensuing mold, fungi or other microbes or certain increases in expenses, such as additional living expenses or debris removal, due to the remediation or testing for mold, fungi or other microbes.

OPTION 2: You have the option to purchase a policy for \$_____ with a 25% limit of liability for Coverage A (Dwelling) and/or Coverage B (Personal Property) that provides coverage for the cost to remediate (including testing), repair or replace covered property due to loss caused by ensuing mold, fungi or other microbes resulting from water or steam damage if such loss would otherwise be covered. This option also provides 25% of the loss of use limit of liability to pay for additional living expenses or fair rental value if a loss caused by mold, fungi or other microbes that results from a water or steam loss that is covered under your policy makes your residence premises wholly or partially untenantable.

OPTION 3: You have the option to purchase a policy for \$_____ that provides the same coverage as option 2, except the limit of liability for Coverage A (Dwelling), Coverage B (Personal Property) and Loss of Use is 50%.

OPTION 4: You have the option to purchase a policy for \$_____ that provides the same coverage as option 2, except the limit of liability for Coverage A (Dwelling), Coverage B (Personal Property) and Loss of Use is 100%.

Optional Endorsements

A. through O. (No Change)

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CODING SECTION
PREMIUMS AND LOSSES

18. ZIP CODE

The 5 digit ZIP Code of each risk must be reported. Report Plus 4 if available.

19. BUILDING CODE CREDITS (TWIA ONLY)

CODE

Seaward - New Structure Built to New Code	01
Seaward – Retrofitted Structures	02
Inland I - New Structure Built to New Code	03
Inland I - New Structure Built to Higher Standards than New Code	04
Inland I – Retrofitted Structures	05
Inland II – New Structure Built to Higher Standards than New Code:	
Built to Inland I Standard	06
Built to Seaward Standard	07
Inland II – Retrofitted Structures	08
Not Applicable	09

20. LAW AND ORDINANCE COVERAGE

CODE

No Additional Law and Ordinance Coverage is attached to policy. (other than the mandatory \$5,000 provided in the policy)	0
10% Additional Law and Ordinance Coverage Purchased	1
15% Additional Law and Ordinance Coverage Purchased	2
25% Additional Law and Ordinance Coverage Purchased	3
Other Approved Limits Purchased	4

21. MOLD COVERAGE OFFER ENDORSEMENT

Code actual endorsement number, excluding dashes, i.e. HO161, HO162, TDP004, TDP005, etc.) *

22. AMOUNT OF COVERAGE FOR ABOVE

*

(Percent or Dollar amount, as applicable, for Mold Coverage Offer Endorsement)

EXHIBIT V

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RESIDENTIAL RISKS
PREMIUMS

COLUMNS	CODES	TYPE OR DESCRIPTION
84-88 (ROOFCRED)		ROOF COVERING PREMIUM CREDIT AND YEAR OF INSTALLATION (yyyy = year) (Code "voluntary" roof premium credits under Optional Credits. Report only roof coverings meeting UL2218, or other such standards approved by TDI, here)
	00000	None – No Credit Applicable
	1yyyy	Class 1 Credit + yyyy
	2yyyy	Class 2 Credit + yyyy
	3yyyy	Class 3 Credit + yyyy
	4yyyy	Class 4 Credit + yyyy
89 (COSMETIC)		EXCLUSION OF COSMETIC DAMAGE TO ROOF COVERINGS ENDORSEMENT
	0	Endorsement is not attached to policy
	1	Endorsement is attached to policy
90	*	SKIP
91-99 (ZIP)		ZIP CODE
	*	Code the 9-digit ZIP Code for each risk. The first five digits are mandatory. Report Plus 4 if available
100	P	TAPE REPORTING Premium
101-108	*	MOLD COVERAGE OFFER ENDORSEMENT (Code actual endorsement number, excluding dashes, i.e. HO161, HO162, TDP004, TDP005, etc.)
109-114	*	AMOUNT OF COVERAGE FOR FIELD "101-108" (Percent or Dollar amount as applicable)
115		HO-A ADDITIONAL EXTENDED COVERAGE
	0	Endorsement HO-170 is not attached to policy
	1	Endorsement HO-170 is attached to policy
116-133	*	SKIP
134-135 (BCC)		BUILDING CODE CREDIT (TWIA ONLY)
	01	Seaward - New Structure Built to New Code
	02	Seaward – Retrofitted Structures
	03	Inland I - New Structure Built to New Code
	04	Inland I - New Structure Built to Higher Standards than New Code
	05	Inland I – Retrofitted Structures Inland II - New Structure Built to Higher Standards than New Code:
	06	Built to Inland I Standard
	07	Built to Seaward Standard
	08	Inland II – Retrofitted Structures
	09	Not Applicable

EXHIBIT V

**RESIDENTIAL RISKS
LOSSES**

COLUMNS	CODES	TYPE OR DESCRIPTION
90-91		CAUSE OF LOSS
	05	Fire – Internal Source
	10	Fire – External Source
	15	Fire – Unknown Source
	20	Lightning – No Fire
	35	Smoke
	25	Windstorm
	30	Hail
	33	Explosion
	40	Aircraft and Vehicles
	45	Riot and Civil Commotion
	50	Vandalism and Malicious Mischief
	55	Collapse
	60	Discharge – Damage to Slab or Foundation
	61	Discharge – Other Damage
	70	Freeze – Damage to Slab or Foundation
	71	Freeze - Other Damage
	75	Burglary, Theft, Robbery
	80	Other – Physical Damage
	90	Other – Liability and Medical Payments
92 (ROOFACV)		ACTUAL CASH VALUE FOR ROOF ENDORSEMENT
		Report forms that are ACV (including roof covering) by design as “0”
	0	Endorsement is not attached to policy
	1	Endorsement is attached to policy
93-97 (DEPREC)		DIFFERENCE IN ACTUAL CASH VALUE AND REPLACEMENT COST
	*	(Example: Replacement costs of a roof with a like product is \$3,000. Actual Cash Value of existing roof is determined to be \$2,500. Report difference of \$500 here.)
98-99	*	SKIP
100		TAPE REPORTING
	L	Loss
101-108	*	MOLD COVERAGE OFFER ENDORSEMENT (Code actual endorsement number, excluding dashes, i.e. HO161, HO162, TDP004, TDP005, etc.)
109-114	*	AMOUNT OF COVERAGE FOR FIELD "101-108" (Percent or Dollar amount as applicable)
115		HO-A ADDITIONAL EXTENDED COVERAGE
	0	Endorsement HO-170 is not attached to policy
	1	Endorsement HO-170 is attached to policy
116-133	*	SKIP