

SECTION IV

BASIC CONDITIONS

- 1 **Concealment.** This entire policy shall be void if, whether
2 **fraud.** before or after a loss, the insured has wil-
3 fully concealed or misrepresented any ma-
4 terial fact or circumstance concerning this insurance, or the
5 subject thereof, or the interest of the insured therein, or in
6 case of any fraud or false swearing by the insured relating
7 thereto.
8 **Excepted.** This policy shall not cover accounts, money,
9 **property.** currency, securities, deeds, or evidences of
10 debt; nor, unless specifically named hereon,
11 cloth awnings, records and books of records (except for their
12 physical value in blank), manuscripts, bullion, animals, motor
13 vehicles, or aircraft.
14 **Hazards not** This Company shall not be liable for loss
15 **included.** by fire or other Perils insured against in
16 this policy caused, directly or indirectly,
17 by: (a) enemy attack by armed forces, including action taken
18 by military, naval, or air forces in resisting an actual or an
19 immediately impending enemy attack; (b) invasion; (c) in-
20 surrection; (d) rebellion; (e) revolution; (f) civil war; (g)
21 usurped power; (h) order of any civil authority except acts
22 of destruction at the time of and for the purpose of pre-
23 venting the spread of fire, provided that such fire did not
24 originate from any of the hazards excluded by this policy;
25 (i) neglect of the insured to use all reasonable means to save
26 and preserve the property at and after a loss, or when the
27 property is endangered by fire in neighboring premises; (j)
28 nor shall this Company be liable for loss by theft; (k) nor for
29 any electrical injury or disturbances to electrical appliances,
30 devices, or wiring resulting from artificial causes.
31 **Conditions** Unless otherwise provided in writing added
32 **suspending or** hereto, this Company shall not be liable
33 **restricting** for loss occurring (a, b, and c applicable
34 **insurance.** only to Coverage F—Fire):
35 (a) while the hazard is increased by any
36 means within the knowledge and control of the insured, pro-
37 vided such increase in hazard is not usual and incidental to the
38 occupancy as hereon described; or
39 (b) while a described building, whether intended for occupancy
40 by this Company or not, is used for any purpose other than that
41 stated on this policy;
42 (c) as a result of explosion or riot, unless fire ensue, and in
43 that event for loss by fire only; or
44 (d) following a change in ownership of the insured prop-
45 erty; or
46 (e) while any other stipulation or condition of this policy is
47 being violated.
48 **Changes or** Changes in this policy may be made and
49 **additions.** Perils added hereon only by written en-
50 dorsement properly executed by an author-
51 ized agent of this Company and attached hereto; but no pro-
52 vision may be waived except such as by the terms of this
53 policy is subject to change.
54 **Cancellation** The insured may cancel this policy by no-
55 **of policy.** tice to this Company; upon surrender of
56 the policy this Company shall refund the
57 short rate unearned paid premium. This Company may cancel
58 this policy by giving the insured ten (10) days written notice,
59 except in the event cancellation is for non-payment of premium,
60 and then this Company may cancel this policy by giving the in-
60A sured fourteen days written notice; such notice shall state that the
60B pro rata unearned paid premium, if not tendered, will be refunded
60C on demand.
61 **Pro rata** This Company shall not be liable for a
62 **liability.** greater proportion of any loss than the
63 amount hereby insured shall bear to the
64 whole insurance covering the property against the Peril in-
65 volved, whether collectible or not; except if any article or
66 piece of personal property, covered hereunder by a general
67 item (i.e., one covering several articles), is insured specifi-
68 cally (without an excess provision) under this, or any other
69 policy, then such general item shall apply as excess over the
70 specific insurance and pay only for any actual loss sustained
71 over the amount of specific insurance.
- 72 **Requirements in** The insured shall give immediate notice to
73 **case loss occurs.** this Company of any loss, protect the prop-
74 erty from further damage, separate the dam-
75 aged and undamaged personal property, and furnish a com-
76 plete inventory of all property insured by this policy showing
77 in detail all costs. The insured, as often as may be reasonably
78 required, shall exhibit to any person designated by this Com-
79 pany all that remains of any property herein described, and
80 submit to examinations under oath by any person named by
81 this Company, and subscribe the same; and, as often as may
82 be reasonably required, shall produce for examination all books
83 of account, bills, invoices, and other vouchers, or certified
84 copies thereof if originals be lost, at such reasonable time and
85 place as may be designated by this Company or its representa-
86 tive, and shall permit extracts and copies thereof to be made.
87 Within thirty days after the loss, unless such time is
88 extended in writing, the insured shall render to this Company
89 a proof of loss signed and sworn to by the insured. Such proof
90 of loss shall reveal to the best knowledge and belief of the
91 insured the following: the time and cause of the loss; the in-
92 terest of the insured and all others in the property, including
93 any encumbrances thereon; all contracts of insurance, whether
94 valid or not, covering such property; the actual cash value of
95 each item of property and the amount of loss thereto; and by
96 whom and for what purposes the building was occupied at the
97 time of loss. No provision, stipulation, or forfeiture of this
98 policy shall be waived by any requirement, act, or proceeding
99 of this Company relating to investigation, appraisal, or ad-
100 justment of any loss.
101 **Appraisal.** In case the insured and this Company shall
102 fail to agree as to the actual cash value or
103 the amount of loss, then, on the written demand of either,
104 each shall select a competent and disinterested appraiser and
105 notify the other of the appraiser selected within twenty days
106 of such demand. The appraisers shall first select a competent
107 and disinterested umpire; and failing for fifteen days to agree
108 upon such umpire, then, on request of the insured or this
109 Company, such umpire shall be selected by a judge of a dis-
110 trict court of a judicial district where the loss occurred. The
111 appraisers shall then appraise the loss, stating separately
112 actual cash value and loss to each item; and, failing to agree,
113 shall submit their differences only to the umpire. An award in
114 writing, so itemized, of any two when filed with this Company,
115 shall determine the amount of actual cash value and loss. Each
116 appraiser shall be paid by the party selecting him and the
117 expenses of appraisal and umpire shall be paid by the parties
118 equally.
119 **Company's** It shall be optional with this Company to
120 **options.** take all, or any part, of the property at the
121 agreed or appraised value, and also to re-
122 pair, rebuild, or replace the property destroyed or damaged
123 with other of like kind and quality within a reasonable time,
124 on giving notice of its intention so to do within thirty days
125 after the receipt of the proof of loss herein required.
126 **Abandonment.** There can be no abandonment to this Com-
127 pany of any property.
128 **When loss** The amount of loss for which this Com-
129 **payable.** pany may be liable shall be payable sixty
130 days after proof of loss, as herein provided,
131 is received by this Company and ascertainment of the loss is
132 made either by agreement between the insured and this Com-
133 pany expressed in writing or by the filing with this Company
134 of an award as herein provided.
135 **Suit.** No suit or action on this policy for the
136 recovery of any claim shall be sustainable
137 in any court of law or equity unless all the requirements of
138 this policy shall have been complied with, and unless com-
139 menced within two years and one day next after cause of
140 action accrues.
141 **Subrogation.** This Company may require from the in-
142 sured an assignment of all right of recov-
143 ery against any party for loss to the extent that payment
144 therefor is made by this Company. The insured may not, ex-
145 cept it be in writing executed prior to the loss, waive his right
146 of recovery from any party.