CALIFORNIA FAIR PLAN ASSOCIATION

AMENDATORY ENDORSEMENT
SMOKE DAMAGE/PERILS INSURED AGAINST REPLACED

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The “PERILS INSURED AGAINST” section of your policy (page 4 of 11) is deleted in its entirety and replaced with the following (which limits or excludes coverage for loss caused by smoke from fire under certain conditions).

PERILS INSURED AGAINST

Unless the loss is excluded in the General Exclusions, or below, we insure for direct physical loss to the covered property caused by:

1A. Fire or Lightning. However, coverage for smoke damage from fire or flames is provided on the terms and conditions set forth in Section 1C. below, but it is excluded entirely or limited to a maximum of $1,500 under certain circumstances.

1B. Internal Explosion, meaning explosion occurring in the dwelling or other structure covered on the Described Location or in a structure containing personal property covered.

   Explosion does not mean:
   a. electric arcing;
   b. breakage of water pipes; or
   c. breakage or operation of pressure relief devices.

   This peril does not include loss by explosion of steam boilers, or steam pipes, if owned or leased by you or operated under your control.

1C. Smoke Damage.

   a) When used in this policy, “smoke damage” means sudden and accidental direct physical loss from smoke that is visible to the unaided human eye, or odor from smoke that is detected by the unaided human nose of an average person, and not by the subjective senses of the named insured or by laboratory testing.

   b) Loss caused by smoke is excluded entirely if the smoke comes from agricultural smudging or industrial operations, or from intentional fire sources routinely found in or around homes including, but not limited to, smoke from fireplaces, fire pits, devices used to barbeque or cook food, lanterns or smoke from other intentional use of flames.

   c) The amount of coverage (money available for smoke damage) is determined by timeliness of claim reporting. Time is measured from the date of the fire’s full containment as determined by Cal Fire or the local fire agency overseeing fire suppression efforts to the date of the first report of smoke damage to us.

      a. Smoke damage losses that are reported within 45 days of the fire’s full containment are covered up to the applicable policy limit.

      b. Smoke damage losses that are reported after 45 days are limited to $1,500.

   d) Dispute Resolution of Smoke Damage claims.

      1. Any dispute regarding whether smoke damage has occurred will be resolved by either Method 1 or 2 below (at the election of the insured):

         Method 1: The insured and the insurer will each select a competent and disinterested person, and those two will select a third person (the Umpire) all in the same manner provided in the Appraisal section of the policy at Paragraph 8 on page 7 of 11. The three people will inspect the premises and decide by majority vote whether they can see or smell smoke damage, and their decision is binding. If there is smoke damage, the claim will then be adjusted to determine the amount of the loss.

         Method 2: A single, sole neutral Umpire can decide whether there is smoke damage. If the parties cannot agree on the identity of that individual, a court of competent jurisdiction will select the Umpire. Each side will pay ½ of the fee for the Umpire.
2. If the parties agree there is smoke damage, or smoke damage has been found using Method 1 or 2 above, but the amount of the loss is in dispute, that issue of the amount of loss will be decided by a new Appraisal as per Paragraph 8 at page 7 of 11 of the policy, where the parties can nominate the same or different individuals than might have been used in Method 1 or 2 above.

When a Premium for Extended Coverage is shown in the Declarations, Perils 2 through 8 are made part of Perils Insured Against.

2. Windstorm or Hail.
This peril does not include loss:

a) to the interior of a building or property contained in a building caused by rain, snow, sleet, sand or dust unless:
   1) the direct force of the wind or hail damages the building causing an opening in a permanent roof or permanent wall and the rain, snow, sleet, sand or dust enters through this opening; or
   2) the direct force of the wind or hail damages the building causing an opening in a temporary roof applied or temporary wall erected (after initial insured damage) to protect the property from further damage in accordance with CONDITIONS, item 4.b. of your policy and rain, snow, sleet, sand or dust enters through this opening.

b) to the following when outside of the building:
   1) awnings, signs or radio or television antennas or aerials, including lead-in wiring, masts or towers; or
   2) rowboats and canoes.

3. Explosion. This peril does not include loss by explosion of steam boilers or steam pipes, if owned or leased by you or operated under your control.

Explosion does not mean:
   a. electric arcing;
   b. breakage of water pipes; or
   c. breakage or operation of pressure relief devices.

This peril replaces Peril 1B.

4. Riot or Civil Commotion.

5. Aircraft, including self-propelled missiles and spacecraft.

This peril does not include loss:
   a. caused by a vehicle owned or operated by you or a resident of the Described Location; or
   b. caused by any vehicle to fences, driveways and walks.

7. [Intentionally left blank, as coverage for Smoke is now moved to Section 1C above.]

8. Volcanic Eruption other than loss caused by earthquake, land shock waves or tremors.

When a Premium for Vandalism or Malicious Mischief is shown in the Declarations, the following is made part of Perils Insured Against.

9. Vandalism or Malicious Mischief.
This peril does not include loss:
   a. to glass or safety glazing material constituting a part of the building other than glass building blocks;
   b. by pilferage, theft, burglary or larceny, but, we will be liable for damage to the building covered caused by burglars; or
   c. to property on the Described Location if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

The following is added to GENERAL EXCLUSIONS of the policy as exclusion number 9 (inserted after exclusion 8. Intentional Loss, at the bottom of page 5 of 11).

9. Damage caused by smoke is excluded from the policy except as covered in the PERILS INSURED AGAINST, 1C.