

Notice of Coverage Options - Limited Mold (Fungi)



FARMERS®

Policy Number:

Policy Type: Texas Family Home Policy

THIS NOTICE IS FOR INFORMATION PURPOSES ONLY AND IS NOT A GUARANTEE OF COVERAGE. ALL APPLICABLE UNDERWRITING GUIDELINES MUST BE MET TO QUALIFY FOR ANY COVERAGE THAT IS IN ADDITION TO THE COVERAGE PROVIDED UNDER **YOUR TEXAS FAMILY HOME POLICY**.

YOU MUST MARK THE COVERAGE OPTION YOU SELECT, SIGN THIS COVERAGE OPTION FORM, AND RETURN IT TO YOUR FARMERS® AGENT.

The purpose of this notice is to provide you with basic information that (1) there is no coverage under the Texas Family Home policy for fungi damage, which is defined in the policy to include mold, and (2) there are additional coverage options that may be available to you by way of endorsement for **accidental, actual direct physical fungus damage**. The options and the instructions for applying for the additional coverage are explained below.

1. What coverage will my Texas Family Home policy provide for damage caused by mold?

Your policy does not insure loss or damage consisting or composed of, or loss or damage directly or indirectly caused by, arising out of or resulting from fungus or the discharge, dispersal, migration, release or escape of any fungi. Further, the policy does not insure any remediation or provide any coverage under Extensions of Coverage due to, arising out of or resulting from remediation of fungi. However, the physical presence of fungi on that portion of covered property which must otherwise be repaired or replaced because of covered accidental, direct physical loss or damage caused by water shall not result in the exclusion of that covered water loss or damage.

2. What are the options and policy premium amounts for the extension of limited coverage for accidental, actual direct physical fungus damage to covered property?

The additional coverage options and the policy premium are shown below. The additional coverage options are available by purchasing optional endorsement TX139, Limited Mold (Fungus) Extension of Coverage Endorsement. Please note, the premium shown for each coverage option is for a one-year policy period.

Option	Coverage Description	Premium
1	This is the premium for the Texas Family Home policy without the additional coverage options described in Options 2, 3 and 4.	\$
2	You have the option to apply for a policy with 25% of the stated limits of insurance for Coverage A (Dwelling and Separate Structures), for Coverage B (Personal Property) and for Loss of use to apply to accidental, actual direct physical fungus damage to covered property caused only by the following Section I - Perils: 1. Fire and lightning; 2. Sudden and accidental damage from smoke; 3. Windstorm, tropical cyclone and hail; 4. Explosion; 5. Aircraft and vehicles; 6. Vandalism and malicious mischief; 7. Riot and civil commotion; or 8. Theft. Under this extension of coverage, we also agree to remediate any resulting contamination from fungus. Also under this extension of coverage, Section I - Uninsured Loss or Damage and Excluded Causes of Loss or Damage, Fungi, will not apply to fungus damage which results from the required conditions. However, any fungus damage under this extension of coverage shall be subject to all other Section I - Uninsured Loss or Damage and Excluded Causes of Loss or Damage. This is not additional insurance and this extension of coverage does not increase the Coverage A or Coverage B limits of insurance or any limit of insurance applicable to any Section I - Extensions of Coverage.	\$

Option	Coverage Description	Premium
3	You have the option to apply for a policy that provides the same coverage as Option 2, except with 50% of the stated limits of insurance for Coverage A (Dwelling and Separate Structures), Coverage B (Personal Property) and Loss of use to apply to accidental, actual direct physical fungus damage.	\$
4	You have the option to apply for a policy that provides the same coverage as Option 2, except with 100% of the stated limits of insurance for Coverage A (Dwelling and Separate Structures), Coverage B (Personal Property) and Loss of use to apply to accidental, actual direct physical fungus damage.	\$

THIS NOTICE DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL THE COVERAGE PROVIDED UNDER YOUR TEXAS FAMILY HOME POLICY OR THESE COVERAGE OPTIONS. PLEASE CONTACT YOUR FARMERS® AGENT IF YOU WOULD LIKE TO KNOW MORE ABOUT COVERAGE UNDER YOUR POLICY AND THE ADDITIONAL COVERAGE OPTIONS.

3. How can I apply for the additional coverage provided in Option 2, 3 or 4?

To apply for the additional coverage, you must submit the following information to your Farmers® agent:

- A property inspection report from a qualified home inspector. Your agent can provide you with our Property Inspection Form (51-1039) for the inspector to complete. If the inspector does not use this form, the inspector's report must include all information that is required in the Property Inspection Form.
- Complete and sign a Mold Inquiry Application (31-1524). This form can be obtained from your agent. The property inspection report and Mold Inquiry Application will be reviewed by Underwriting to determine whether the property meets our eligibility requirements.
- Select the option you wish to apply for (2, 3 or 4) on this Notice of Coverage Options, sign and date this form, and submit it to your agent with your property inspection report and Mold Inquiry Application. Your agent will submit these forms to Underwriting for review.

4. **When will I be billed for the additional premium?**

If you are approved for additional coverage, the coverage will be added by issuance of the TX139 endorsement to your Texas Family Home policy, effective the date of approval, and you will receive a bill for payment. If you do not pay the bill, your entire policy will be subject to cancellation for non-payment of premium.

5. **What do I need to do if I do not want any additional coverage?**

If you do not want to apply for additional coverage, you need to check Option 1 below and return the form to your agent.

APPLICATION FOR COVERAGE

I WISH TO APPLY FOR COVERAGE FOR THE PREMIUM STATED ABOVE FOR:

OPTION 1 OPTION 2 OPTION 3 OPTION 4

By signing this application, I acknowledge I have read and understand the premium amount for obtaining this coverage. I have indicated my choice for coverage. I also understand any request for additional coverage beyond that provided in Option 1 is subject to Underwriting approval, and unless and until approved by Underwriting, no additional coverage is provided. I understand my choice will apply to this policy period and future policy periods, unless or until I request another choice in writing. I understand my choice is valid and binding on all insureds covered by my policy. I also understand that if my optional coverage is approved, I will be billed for the premium for that coverage.

Signature of Named Insured

Date

Signature of Named Insured

Date