

Homeowners policies in Texas

showing differences in Liability Coverage only

Prepared by the Independent Insurance Agents of Texas

Note: This chart describes the differences in key liability coverage issues of the Texas and ISO policy forms. The last column is for you to check these key issues on homeowners policy forms or enhancement endorsements offered by other companies, and to note any differences on this chart. You may enter text in the right column

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Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Definitions

	<p>“Business” Includes trade, profession or occupation</p>	<p>An activity engaged in on a full-time, part-time or occasional basis for compensation, except:</p> <ul style="list-style-type: none"> ▪ activities for which no insured receives more than \$2,000 in compensation ▪ volunteer activities ▪ home day care services with no compensation or to a relative 	
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Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Definitions cont

"Insured"	<ul style="list-style-type: none"> Residents of your household who are your relatives or other persons under the age of 21 in your care 	<ul style="list-style-type: none"> Residents of your household who are your relatives or other persons under the age of 21 in your care 	
		<ul style="list-style-type: none"> A student enrolled in school full time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of: (a) 24 and your relative; or (b) 21 and in your care 	
	<ul style="list-style-type: none"> Any person or organization legally responsible for an insured's animals or covered watercraft 	<ul style="list-style-type: none"> Any person or organization legally responsible for an insured's animals or covered watercraft 	
	<ul style="list-style-type: none"> An employee using a covered vehicle while engaged in employment by the insured 	<ul style="list-style-type: none"> An employee using a covered vehicle while engaged in employment by the insured 	
	<ul style="list-style-type: none"> A person using a covered vehicle on an insured location with the named insured's consent 	<ul style="list-style-type: none"> A person using a covered vehicle on an insured location with the named insured's consent 	
"Residence premises"	One or two family dwelling where an insured resides or intends to reside within 60 days after effective date	One, two, three or four family dwelling where you reside in at least one of the family units	

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Definitions cont

"Insured location"	(includes) Land owned by or rented to an insured on which a one or two family dwelling is being built as a residence for an insured	(includes) Land owned by or rented to an insured on which a one, two, three or four family dwelling is being built as a residence for an insured	
OTHER			

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Liability and Medical Payments Exclusions

Intentional acts	BI or PD caused intentionally by or at the direction of the insured.	BI or PD expected or intended by an insured even if the resulting BI or PD is of a different kind, quality or degree than initially expected or intended; or is sustained by a different person, entity, real or personal property, than initially expected or intended. However, the exclusion does not apply to BI resulting from the use of reasonable force by an insured to protect persons or property	
Business pursuits	<p>BI or PD arising out of or in connection with a business engaged in by an insured</p> <p>The exclusion doesn't apply to activities which are ordinarily incidental to non business pursuits</p>	<p>BI or PD arising out of or in connection with a business conducted from an insured location or engaged in by an insured, including an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the business</p> <p>The exclusion doesn't apply to an insured under the age of 21 years involved in a part-time or occasional, self-employed business with no employees</p>	

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Liability and Medical Payments Exclusions cont

Premises rental	<p>BI or PD arising out of the rental or holding for rental of a premises by an insured, except the rental or holding for rental of an insured location:</p> <ul style="list-style-type: none"> ▪ On an occasional basis if used only as a residence ▪ In part for use only as a residence for no more than two roomers or boarders ▪ In part as an office, school or studio ▪ For not more than three car spaces in garages ▪ For not more than three stalls in stables 	<p>BI or PD arising out of the rental or holding for rental of a premises by an insured, except the rental or holding for rental of an insured location:</p> <ul style="list-style-type: none"> ▪ On an occasional basis if used only as a residence ▪ In part for use only as a residence for no more than two roomers or boarders ▪ In part, as an office, school or studio ▪ In part as a private garage 	
Professional services	BI or PD arising out of the rendering of or failure to render professional services	BI or PD arising out of the rendering of or failure to render professional services	
Premises other than an insured location	<p>BI or PD arising out of a premises:</p> <ul style="list-style-type: none"> ▪ Owned by an insured ▪ Rented to an insured ▪ Rented to others by an insured <p>That is not an insured location</p>	<p>BI or PD arising out of a premises:</p> <ul style="list-style-type: none"> ▪ Owned by an insured ▪ Rented to an insured ▪ Rented to others by an insured <p>That is not an insured location</p>	

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Liability and Medical Payments Exclusions cont

Motor vehicles and trailers	BI or PD arising out of the: <ul style="list-style-type: none"> ▪ Ownership ▪ Maintenance ▪ Operation ▪ Use ▪ Loading ▪ Unloading ▪ Entrustment by an insured to any person ▪ Negligent supervision by an insured of any person 	BI or PD arising out of the: <ul style="list-style-type: none"> • Ownership • Maintenance • Occupancy • Operation • Use • Loading • Unloading • Entrustment by an insured by an insured to any person • Failure to supervise any person • Negligent supervision of any person • Vicarious liability for the actions of a child or minor 	
	Of: <ul style="list-style-type: none"> • Motor propelled vehicles or machines designed for movement on land, including attached machinery or equipment • Trailers, semi-trailers or mobile homes 	Of: <ul style="list-style-type: none"> • Self-propelled land or amphibious vehicles • Trailers or semi-trailers 	

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Liability and Medical Payments Exclusions cont

	<p>Which are subject to motor vehicle registration and:</p> <ul style="list-style-type: none"> • Owned • Operated by • Rented to • Loaned to n insured. 	<p>If at the time and place of occurrence, the motor vehicle is:</p> <ul style="list-style-type: none"> • Registered for use on public roads or property, or • Is not registered but such registration is required by a law or regulation issued by a government agency, or • Is being operated in, or practicing for, any prearranged or organized race, speed contest or other competition, or • Rented to others, or • Used to carry persons or cargo for a charge, or • Used for any business purpose except for a golf cart while on a golfing facility 	
	Exceptions:	Exceptions:	
	<ul style="list-style-type: none"> • Used for assisting the handicapped 	<ul style="list-style-type: none"> • Designed to assist the handicapped and, at the time of an occurrence, is (i) being used to assist a handicapped person, or (ii) parked on an insured location 	

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Liability and Medical Payments Exclusions cont

	<ul style="list-style-type: none"> Used to service an insured location 	<ul style="list-style-type: none"> Used solely to service an insured's residence 	
	<ul style="list-style-type: none"> Golf carts while on the residence premises or used for golfing purposes 	<ul style="list-style-type: none"> Golf carts owned by an insured, designed to carry up to 4 persons, not built or modified to exceed a speed of 25 miles per hour on level ground and at the time an occurrence is within the legal boundaries of (i) a golfing facility, or (ii) a private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an insured's residence 	

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Liability and Medical Payments Exclusions cont

	<ul style="list-style-type: none"> Designed and used for recreational purposes and are (i) not owned by an insured, or (ii) owned by an insured while on the residence premises 	<ul style="list-style-type: none"> Designed for recreational use off public roads (including golf carts) and (i) not owned by an insured, or (ii) owned by an insured provided the occurrence takes place on (i) the residence premises, or (ii) vacant land other than farm land owned by or rented to an insured 	
	<ul style="list-style-type: none"> In dead storage on the residence premises 	<ul style="list-style-type: none"> In dead storage on an insured location 	
	<ul style="list-style-type: none"> Used exclusively on the residence premises 		
	<ul style="list-style-type: none"> Trailers or semi-trailers while not being towed by or carried on a motor vehicle 	<ul style="list-style-type: none"> Trailers or semi-trailers while not being towed by, carried on, or hitched for towing 	

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Liability and Medical Payments Exclusions cont

Watercraft	BI or PD arising out of the: <ul style="list-style-type: none"> • Ownership • Maintenance • Operation • Use • Loading • Unloading • Entrustment by an insured to any person • Negligent supervision by an insured of any person 	BI or PD arising out of the: <ul style="list-style-type: none"> • Ownership • Maintenance • Occupancy • Operation • Use • Loading • Unloading • Entrustment by an insured by an insured to any person • Failure to supervise any person • Negligent supervision of any person • Vicarious liability for the actions of a child or minor 	
		If at the time and place of occurrence, the watercraft is: <ul style="list-style-type: none"> • Is being operated in, or practicing for, any prearranged or organized race, speed contest or other competition (except for a sailing vessel on a predicted log cruise, or • Rented to others, or • Used to carry persons or cargo for a charge, or • Used for any business purpose 	

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Liability and Medical Payments Exclusions cont

	Exceptions (covered):	Exceptions (covered):	
	<ul style="list-style-type: none"> Inboard or inboard-outdrive motor power of 50 horsepower or less 	<ul style="list-style-type: none"> Inboard or inboard-outdrive engine or motor (including water jet pump) of 50 horsepower or less if not owned by an insured 	
	<ul style="list-style-type: none"> Inboard or inboard-outdrive motor power of more than 50 horsepower if not owned by or rented to an insured 	<ul style="list-style-type: none"> Inboard or inboard-outdrive engine or motor (including water jet pump) of more than 50 horsepower if not owned by or rented to an insured 	
	<ul style="list-style-type: none"> Outboard motor power of 25 horsepower or less 	<ul style="list-style-type: none"> Outboard motor power of 25 horsepower or less 	
	<ul style="list-style-type: none"> Outboard motor power of more than 25 horsepower if not owned by an insured, unless acquired during the policy period 	<ul style="list-style-type: none"> Outboard motor power of more than 25 horsepower if not owned by an insured, unless acquired during the policy period 	
	<ul style="list-style-type: none"> Sailing vessel with or without auxiliary power of less than 26 feet in length 	<ul style="list-style-type: none"> Sailing vessel with or without auxiliary power of less than 26 feet in length 	

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Liability and Medical Payments Exclusions cont

	<ul style="list-style-type: none"> Sailing vessel with or without auxiliary power of 26 feet or more in length if not owned by or rented to an insured 	<ul style="list-style-type: none"> Sailing vessel with or without auxiliary power of 26 feet or more in length if not owned by or rented to an insured 	
	<ul style="list-style-type: none"> Any watercraft while on the residence premises 	<ul style="list-style-type: none"> Any watercraft that is stored 	
Communicable disease	BI or PD arising out of the transmission of sickness or disease by an insured through sexual contact	BI or PD arising out of the transmission of sickness or disease by an insured through sexual contact	
Workers' compensation	BI to any person eligible to receive any benefits voluntarily provided or required to be provided by an insured under any workers compensation law or occupational disease law	BI to any person eligible to receive any benefits voluntarily provided or required to be provided by an insured under any workers' compensation law, non-occupational disability law, or occupational disease law	
Contractual	Liability under any contract or agreement, except written contracts: <ul style="list-style-type: none"> That directly relate to the ownership, maintenance or use of an insured location Where the liability of others is assumed by an insured 	Liability under any contract or agreement, except written contracts: <ul style="list-style-type: none"> That directly relate to the ownership, maintenance or use of an insured location Where the liability of others is assumed by the named insured prior to an occurrence 	

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Liability and Medical Payments Exclusions cont

Damage to owned property	PD to property owned by an insured	PD to property owned by an insured	
Damage to property in care, custody or control	PD to property rented to, occupied or used by or in the care of the insured Except PD caused by fire, smoke or explosion	PD to property rented to, occupied or used by or in the care of an insured Except PD caused by fire, smoke or explosion	
BI to insured	BI to you or an insured	BI to you or an insured	
Medical payments only	Medical payments for BI to <ul style="list-style-type: none"> Residence employee away from an insured location if the BI does not arise out of or in the course of employment Any person, other than a residence employee, regularly residing on any part of an insured location 	Medical payments for BI to <ul style="list-style-type: none"> Residence employee away from an insured location if the BI does not arise out of or in the course of employment Any person, other than a residence employee, regularly residing on any part of an insured location 	
Sexual molestation	No exclusion	BI or PD arising out of sexual molestation, corporal punishment or physical or mental abuse	
Controlled substance	No exclusion	BI or PD arising out of the use, sale manufacture, delivery, transfer or possession of a controlled substance	
Association assessment	No exclusion	Loss assessment charged against the named insured as a member of an association, except as provided in Additional Coverages	

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Additional Coverages

Damage to property of others	Replacement cost up to \$500 per occurrence for PD to property of others caused by an insured Except:	Replacement cost up to \$1,000 per occurrence for PD to property of others caused by an insured Except:	
	<ul style="list-style-type: none"> • PD caused intentionally by an insured who is 13 years of age or older 	<ul style="list-style-type: none"> • PD caused intentionally by an insured who is 13 years of age or older 	
	<ul style="list-style-type: none"> • PD to property owned by an insured 	<ul style="list-style-type: none"> • PD to property owned by an insured 	
	<ul style="list-style-type: none"> • PD to property owned by or rented to a tenant of an insured or a resident in the household 	<ul style="list-style-type: none"> • PD to property owned by or rented to a tenant of an insured or a resident in the household 	

Key Coverage Issues	Texas	ISO Edition 10 00	Company: Form #: Edition:
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Additional Coverages cont.

	<ul style="list-style-type: none"> • PD arising: <ul style="list-style-type: none"> • out of a business engaged in by an insured • in connection with a premises owned, rented or controlled by an insured, other than an insured location • out of the ownership, maintenance, use, loading or unloading of aircraft, watercraft or motor vehicles or all other motorized land conveyances, unless designed for recreational use off public roads, not subject to motor vehicle registration and not owned by an insured 	<ul style="list-style-type: none"> • PD arising: <ul style="list-style-type: none"> • out of a business engaged in by an insured • in connection with a premises owned, rented or controlled by an insured, other than an insured location • out of the ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or motor vehicles, unless designed for recreational use off public roads, not subject to motor vehicle registration and not owned by an insured 	
Loss assessment	No additional coverage (Some assessments might be covered by the liability coverage)	Up to \$1,000 for your share of loss assessment charged against you by an association as a result of BI or PD or wrongful act of a director or officer	