

# THE Standard Fire Policy

Originally Compiled in 1905 by  
GUILFORD A. DEITCH

Completely Revised 1930 by  
JOSEPH G. WOOD

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## PREFACE

In 1905 Guilford A. Deitch, prominent insurance lawyer of Indianapolis, at the request of ROUGH NOTES revised and prepared in book form seven lectures that he had delivered before the Fire Insurance Club of Chicago, on "The Standard Fire Insurance Policy of New York."

The book, entitled "The Standard Fire Policy," has proven decidedly popular. It was based on the standard policy form adopted by the State of New York in 1886. In 1917, however, New York adopted a new standard form, effective as of January 1st, 1918.

Due to this fact and the lapse of time since the book was originally published ROUGH NOTES has requested that it be revised and brought to date, with regard to the new standard form and to the leading decisions in point handed down since 1905. Hence this volume.

Joseph G. Wood.

Indianapolis, July 15, 1929.

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## CHAPTER I

# HISTORY

### SECTION 1.—Form of Policy

As an elementary principle of law an insurance contract need not be in writing. It may be verbal. However, a legislative enactment requiring it to be in writing will prevail.

Salquist v. Ore. F. Relief Assn., 100 Ore. 416; 197 Pac. 312.

Nor is the form an essential element in the absence of a statute on the subject. However, in many states standard policy forms have been adopted. Even in states having no law requiring it a standard form is used by most companies.

### SECTION 2.—The New York Standard Form

The "New York standard" form is now so universally recognized that some Courts take judicial knowledge of it.

In *Scottish Union & National Insurance Company v. Phoenix T. & T. Company*, 28 Ariz. 22, 235 Pac. 133 (1925), the Court in the discussion of an Arizona Statute passed in 1913 prohibiting fire insurance companies from issuing any policy form in that state other than the "New York Standard," says:

"In view of the fact that in 1886 the State of New York by statute adopted a certain form of insurance policy as 'the standard fire insurance policy of New York', that such form has been adopted by many other states, and often by express reference to the 'New York Standard' form; and that every legal text-writer on insurance refers to it as a well known and definite thing—we think the Courts can well take judicial notice that there is in existence a form of insurance policy known as the 'New York Standard' and just what that form is."

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### SECTION 3.—First New York Form

The original "New York Standard" form was adopted by that State in 1886. Following that many States enacted standard policy laws, some forms being substantially the same as the "New York Standard" and other laws expressly providing that the "New York Standard" shall be used.

In 1913 the New York legislature directed the Superintendent of Insurance of New York to submit to the National Convention of Insurance Commissioners a request for the appointment of a committee to study the need for a revision of the "New York Standard" form and to make a recommendation.

The committee recommended a revision and submitted a revised standard form, which was adopted by the Commissioners and in 1917 the New York legislature enacted a law providing that on and after January 1st, 1918, the New York Standard form of fire policy should be that form adopted by the National Convention of Insurance Commissioners. See p. 42, "The Fire Insurance Contract," by Ins. Soc. of N. Y.

### SECTION 4.—Abuses Which Led to Standard Form

Early in fire insurance history the Courts generally adhered to a rule that the provisions of the printed portion of the fire policy should be construed most strongly in favor of the assured. Any ambiguity in a printed stipulation was usually construed against the Insurer. The Courts recognized that many forms were excessively long and laboriously read

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and that the Insurer having prepared the form held an undue advantage as to the effect of its provisions over the assured. This gave rise to the uniform standard fire policy. An excellent discussion of the reason for the adoption of a standard policy is set forth in:

DeLancy v. Rockingham Farmers Mutual Fire Ins. Co., 52  
N. H. 581; 3 Ins. L. J. 131,

as follows:

"The principal act of precaution was to guard the company against liability for losses. Forms of applications and policies (like those used in this case) of a most complicated and elaborate structure were prepared and filled with covenants, exceptions, stipulations, provisos, rules, regulations and conditions, rendering the policy void in a great number of contingencies. These provisions were of such bulk and character that they would not be understood by men in general, even if subjected to a careful and laborious study; by men in general they were sure not to be studied at all. The study of them was rendered particularly unattractive by a profuse intermixture of discourses on subjects in which a premium payer would have no interest. The compound, if read by him, would, unless he were an extraordinary man, be an inexplicable riddle, a mere flood of darkness and confusion. Some of the most material stipulations were concealed in a mass of rubbish on the back side of the policy and the following page, where few would expect to find anything more than a dull appendix and where scarcely anyone would think of looking for information so important as that the company claimed a special exemption from the operation of the general law of the land relating to the only business in which the company professed to be engaged. As if it were feared that, notwithstanding these discouraging circumstances, some extremely eccentric person might attempt to examine and understand the meaning of the involved and intricate net in which he was to be entangled—it was printed in such small type and in lines so long and so crowded that the perusal of it was made physically difficult, painful and injurious. Seldom has the art of typography been so successfully diverted from the diffusion of knowledge to the suppression of it. There was ground for the premium payer to argue that the print alone was evidence, competent to be submitted to a jury, of a fraudulent plot. It was not a little remarkable that a method of doing business not designed

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to impose upon, mislead and deceive him by hiding the truth, and depriving him of all knowledge of what he was concerned to know, should happen to be so admirably adapted to that purpose. As a contrivance for keeping out of sight the dangers created by the agents of the nominal corporation, the system displayed a degree of cultivated ingenuity which, if it had been exercised in any useful calling, would have merited the strongest commendation.

"Traveling agents were necessary to apprise people of their opportunities and induce them to act as policyholders and premium payers, under the name of 'the insured'.

"With increased experience came a constant expansion of precautionary measures on the part of the companies. When the court held that the agent's knowledge of facts not stated in the application was the company's knowledge and that an unintentional omission or misrepresentation of facts known to the company would not invalidate the policy, the companies, by their agents, issued new editions of applications and policies containing additional stipulations to the effect that their agents were not their agents, but were the agents of the premium payers; that the latter were alone responsible for the correctness of the applications, and that the companies were not bound by any knowledge, statements or acts of any agent not contained in the application. As the companies' agents filled the blanks to suit themselves, and were in that matter necessarily trusted by themselves and by the premium payers, the confidence which they reposed in themselves was not likely to be abused by the insertion in the application of any unnecessary evidence of their own knowledge of anything, or their own representations, or their dictation and management of the entire contract on both sides. Before that era it had been understood that a corporation—an artificial being, invisible, intangible and existing only in contemplation of law—was capable of acting only by agents; but corporations, pretending to act without agents, exhibited the novel phenomena of anomalous and nondescript, as well as imaginary, being, with no visible principal or authorized representative; no attribute of personality subject to any law or bound by any obligation, and no other evidence of a practical, legal, physical or psychological existence than the collection of premiums and assessments. The increasing number of stipulations and covenants, secreted in the usual manner, not being understood by the premium payer until his property was burned, people were as easily beguiled into one edition as another, until at last they were made to formally contract with a phantom that carried on business to the limited extent of absorbing cash received by certain persons who were not its agents.

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"When it was believed that things had come to this pass, the Legislature thought it time to regulate the business in such a manner that it should have some title to the name of insurance and some appearance of fair dealing."

### SECTION 5.—Massachusetts' Form First

While Massachusetts was the first State to enact a standard fire policy law (1873) and while a few States have followed the Massachusetts form yet the "New York Standard" revised as of January 1st, 1918, and embracing all that is material in the Massachusetts form, is in the most general use. It is therefore the revised "New York Standard" policy that will be discussed herein, comparing its provisions with the old form and having regard to the leading decisions applicable to the old form up to 1918, and to those applicable to the new form since 1918. Fundamentally the new form does not differ from the old. Many of its provisions are verbatim with the old form. Therefore, the many principles of law well settled by a long line of decisions are little affected by the adoption of the new form. The new form is less technical, read with more ease, and more readily understood by the layman.

For handy reference of the reader we set out the old and revised forms in full:

## CHAPTER II

### THE "OLD" NEW YORK STANDARD

#### SECTION 6.—**New York Standard (Old) Fire Policy** Adopted 1886:

In Consideration of the Stipulations herein named and of ..... Dollars Premium Does Insure..... for the term of ..... from the ..... day of ..... 19..... at noon to the ..... day of ..... 19..... at noon against all direct loss or damage by fire, except as herein-after provided, to an amount not exceeding ..... Dollars, to the following described property while located and contained as described herein, and not elsewhere, to-wit:

*This Policy is made and accepted subject to the foregoing stipulations and conditions, and to the following stipulations and conditions printed on back hereof, which are hereby specially referred to and made a part of this Policy, together with such other provisions, agreements, or conditions as may be endorsed hereon or added hereto; and no officer, agent or other representative of this Company shall have power to waive any provision or condition of this Policy except such as by the terms of this Policy may be the subject of agreement endorsed hereon or added hereto; and as to such provisions and conditions no officer, agent, or representative shall have such power or be deemed or held to have waived such provisions or conditions unless such waiver, if any, shall be written upon or attached hereto, nor shall any privilege*

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or permission affecting the insurance under this policy exist or be claimed by the insured unless so written or attached.

*In Witness Whereof*, this Company has executed and attested these presents; but this policy shall not be valid until countersigned by the duly authorized Agent of the Company at \_\_\_\_\_.

(Continued on Page 8)

1 This company shall not be liable beyond the actual cash value of the property at the time any loss or damage occurs, 2 and the loss or damage shall be ascertained or estimated according to such actual cash value, with proper deduction for 3 depreciation however caused, and shall in no event exceed what it would then cost the insured to repair or replace the same 4 with material of like kind and quality; said ascertainment or estimate shall be made by the insured and this company, or, if 5 they differ, then by appraisers, as hereinafter provided; and, the amount of loss or damage having been thus determined, 6 the sum for which this company is liable pursuant to this policy shall be payable sixty days after due notice, ascertainment, 7 estimate, and satisfactory proof of the loss have been received by this company in accordance with the terms of this policy. 8 It shall be optional, however, with this company to take all, or any part, of the articles at such ascertained or appraised value, 9 and also to repair, rebuild, or replace the property lost or damaged with other of like kind and quality within a reasonable time 10 on giving notice, within thirty days after the receipt of the proof herein required, of its intention so to do; but there can be 11 no abandonment to this company of the property described.

12 This entire policy shall be void if the insured has concealed or misrepresented, in writing or otherwise, any material 13 fact or circumstance concerning this insurance or the subject thereof; or if the interest of the insured in the property be not 14 truly stated herein; or in case of any fraud or false swearing by the insured touching any matter relating to this insurance or 15 the subject thereof, whether before or after a loss.

16 This entire policy, unless otherwise provided by agreement indorsed hereon or added hereto, shall be void if the in- 17 sured now has or shall hereafter make or procure any other contract of insurance, whether valid or not, on property covered 18 in whole or in part by this policy; or if the subject of insurance be a manufacturing establishment and it be operated in whole 19 or in part at night later than ten o'clock, or if it cease to be operated for more than ten consecutive days; or if the hazard be 20 increased by any means within the control or knowledge of the insured; or if mechanics be employed in building, altering, or 21 repairing the within described premises for more than fifteen days at any one time; or if the interest of the insured be other 22 than unconditional and sole ownership; or if the subject of insurance be a building on ground not owned by the insured in 23 fee simple; or if the subject of insurance be personal property and be or become encumbered by a chattel mortgage; or if, with 24 the knowledge of the insured, foreclosure proceedings be commenced or notice given of sale of any property covered by this 25 policy by virtue of any mortgage or trust deed; or if any change, other than by the death of an insured, take place in the in- 26 terest, title, or possession of the subject of insurance (except change of occupants without increase of hazard) whether by legal 27 process or judgment or by voluntary act of the insured, or otherwise; or if this policy be assigned before a loss; or if illuminating 28 gas or vapor be generated in the described building (or adjacent thereto) for use therein; or if (any usage or custom of trade or 29 manufacture to the contrary notwithstanding) there be kept, used, or allowed on the above described premises, benzine, benzole, 30 dynamite, ether, fireworks, gasoline, greek fire, gunpowder exceeding twenty-five pounds in quantity; naphtha, nitro-glycerine 31 or other explosives, phosphorus, or petroleum or any of its products of greater inflammability than kerosene oil of the United 32 States standard (which last may be used for lights and kept for safe according to law but in quantities not exceeding five barrels, 33 provided it be drawn and lamps filled by daylight or at a distance not less than ten feet from artificial light); or if a building 34 herein described, whether intended for occupancy by owner or tenant, be or become vacant or unoccupied and so remain for 35 ten days.

36 This company shall not be liable for loss caused directly or indirectly by invasion, insurrection, riot, civil war or commo- 37 tion, or military or usurped power, or by order of any civil authority; or by theft; or by neglect of the insured to use all rea- 38 sonable means to save and preserve the property at and after a fire or when the property is endangered by fire in neighboring 39 premises; or (unless fire ensues, and, in that event, for the damage by fire only) by explosion of any kind, or lightning; but

35 liability for direct damage by lightning may be assumed by specific agreement hereon.

36 If a building or any part thereof fall, except as the result of fire, all insurance by this policy on such building or its contents  
37 shall immediately cease.

38 This company shall not be liable for loss to accounts, bills, currency, deeds, evidences of debt, money, notes, or securities;  
39 nor, unless liability is specifically assumed hereon, for loss to awnings, bullion, casts, curiosities, drawings, dies, implements,  
40 jewels, manuscripts, medals, models, patterns, pictures, scientific apparatus, signs, store or office furniture or fixtures, sculpture,  
41 tools, or property held on storage or for repairs; nor, beyond the actual value destroyed by fire, for loss occasioned by ordinance  
42 or law regulating construction or repair of buildings, or by interruption of business, manufacturing processes, or otherwise; nor  
43 for any greater proportion of the value of plate glass, frescoes, and decorations than that which this policy shall bear to the whole  
44 insurance on the building described.

45 If an application, survey, plan, or description of property be referred to in this policy it shall be a part of this contract and  
46 a warranty by the insured.

47 In any matter relating to this insurance no person, unless duly authorized in writing, shall be deemed the agent of this  
48 company.

49 This policy may by a renewal be continued under the original stipulations, in consideration of premium for the renewed  
50 term, provided that any increase of hazard must be made known to this company at the time of renewal or this policy shall be void.

51 This policy shall be canceled at any time at the request of the insured; or by the company by giving five days notice of  
52 such cancellation. If this policy shall be canceled as hereinbefore provided, or become void or cease, the premium having been  
53 actually paid, the unearned portion shall be returned on surrender of this policy or last renewal, this company retaining the cus-  
54 tomary short rate; except that when this policy is canceled by this company by giving notice it shall retain only the pro rata  
55 premium.

56 If, with the consent of this company, an interest under this policy shall exist in favor of a mortgagee or of any person or  
57 corporation having an interest in the subject of insurance other than the interest of the insured as described herein, the condi-  
58 tions hereinbefore contained shall apply in the manner expressed in such provisions and conditions of insurance relating to such  
59 interest as shall be written upon, attached, or appended hereto.

60 If property covered by this policy is so endangered by fire as to require removal to a place of safety, and is so removed,  
61 that part of this policy in excess of its proportion of any loss and of the value of property remaining in the original location, shall,  
62 for the ensuing five days only, cover the property so removed in the new location; if removed to more than one location, such  
63 excess of this policy shall cover therein for such five days in the proportion that the value in any one such new location bears  
64 to the value in all such new locations; but this company shall not, in any case of removal, whether to one or more locations, be  
65 liable beyond the proportion that the amount hereby insured shall bear to the total insurance on the whole property at the time  
66 of fire, whether the same cover in new location or not.

67 If fire occur the insured shall give immediate notice of any loss thereby in writing to this company, protect the property  
68 from further damage, forthwith separate the damaged and undamaged personal property, put it in the best possible order,  
69 make a complete inventory of the same, stating the quantity and cost of each article and the amount claimed thereon; and,  
70 within sixty days after the fire, unless such time is extended in writing by this company, shall render a statement to this com-  
71 pany, signed and sworn to by said insured, stating the knowledge and belief of the insured as to the time and origin of the fire;  
72 the interest of the insured and of all others in the property; the cash value of each item thereof and the amount of loss thereon;

73 all incumbrances thereon; all other insurance, whether valid or not, covering any of said property; and a copy of all the descrip-  
74 tions and schedules in all policies; any changes in the title, use, occupation, location, possession, or exposures of said property  
75 since the issuing of this policy; by whom and for what purpose any building herein described and the several parts thereof were  
76 occupied at the time of fire; and shall furnish, if required, verified plans and specifications of any building, fixtures, or  
77 machinery destroyed or damaged; and shall also, if required, furnish a certificate of the magistrate or notary public (not inter-  
78 ested in the claim as a creditor or otherwise, nor related to the insured) living nearest the place of fire, stating that he has  
79 examined the circumstances and believes the insured has honestly sustained loss to the amount that such magistrate or notary  
80 public shall certify.

81 The insured, as often as required, shall exhibit to any person designated by this company all that remains of any property  
82 herein described, and submit to examinations under oath by any person named by this company, and subscribe the same; and,  
83 as often as required, shall produce for examination all books of account, bills, invoices, and other vouchers, or certified copies  
84 thereof if originals be lost, at such reasonable place as may be designated by this company or its representative, and shall  
85 permit extracts and copies thereof to be made.

86 In the event of disagreement as to the amount of loss the same shall, as above provided, be ascertained by two competent  
87 and disinterested appraisers, the insured and this company each selecting one, and the two so chosen shall first select a competent  
88 and disinterested umpire; the appraisers together shall then estimate and appraise the loss, stating separately sound value and  
89 damage, and, failing to agree, shall submit their differences to the umpire; and the award in writing of any two shall determine  
90 the amount of such loss; the parties thereto shall pay the appraiser respectively selected by them and shall bear equally the  
91 expenses of the appraisal and umpire.

92 This company shall not be held to have waived any provision or condition of this policy or any forfeiture thereof by any  
93 requirement, act, or proceeding on its part relating to the appraisal or to any examination herein provided for; and the loss  
94 shall not become payable until sixty days after the notice, ascertainment, estimate, and satisfactory proof of the loss herein  
95 required have been received by this company, including an award by appraisers when appraisal has been required.

96 This company shall not be liable under this policy for a greater proportion of any loss on the described property, or for  
97 loss by and expense of removal from premises endangered by fire, than the amount hereby insured shall bear to the whole  
98 insurance, whether valid or not, or by solvent or insolvent insurers, covering such property, and the extent of the application  
99 of the insurance under this policy or of the contribution to be made by this company in case of loss, may be provided for by  
100 agreement or condition written herein or attached or appended hereto. Liability for reinsurance shall be as specifically agreed  
101 heron.

102 If this company shall claim that the fire was caused by the act or neglect of any person or corporation, private or muni-  
103 cipal, this company shall, on payment of the loss, be subrogated to the extent of such payment to all right of recovery by the  
104 insured for the loss resulting therefrom, and such right shall be assigned to this company by the insured on receiving such  
105 payment.

106 No suit or action on this policy, for the recovery of any claim, shall be sustainable in any court of law or equity until after  
107 full compliance by the insured with all the foregoing requirements, nor unless commenced within twelve months next after the fire.

108 Wherever in this policy the word "insured" occurs, it shall be held to include the legal representative of the insured, and  
109 wherever the word "loss" occurs, it shall be deemed the equivalent of "loss or damage."

110 If this policy be made by a mutual or other company having special regulations lawfully applicable to its organization,  
111 membership, policies or contracts of insurance, such regulations shall apply to and form a part of this policy as the same may  
112 be written or printed upon, attached, or appended hereto.

## CHAPTER III

### THE "NEW" NEW YORK STANDARD

#### SECTION 7.—**New York Standard (New) Fire Policy** Effective Jan. 1, 1918:

In consideration of the Stipulations herein named and of ..... Dollars Premium does insure ..... and legal representatives, to the extent of the actual cash value (ascertained with proper deductions for depreciation) of the property at the time of loss or damage, but not exceeding the amount which it would cost to repair or replace the same with material of like kind and quality within a reasonable time after such loss or damage, without allowance for any increased cost of repair or reconstruction by reason of any ordinance or law regulating construction or repair and without compensation for loss resulting from interruption of business or manufacture, for the term of ..... from the ..... day of ..... 19 ....., at noon, to the ..... day of ..... 19 ....., at noon, against all DIRECT LOSS AND DAMAGE BY FIRE and by removal from premises endangered by fire, except as herein provided, to an amount not exceeding ..... Dollars, to the following described property while located and contained as described herein, or pro rata for five days at each proper place to which any of the property shall necessarily be removed for preservation from fire, but not elsewhere, to wit:

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This policy is made and accepted subject to the foregoing stipulations and conditions, and to the stipulations and conditions printed on the back hereof, which are hereby made a part of this policy, together with such other provisions, stipulations and conditions as may be endorsed hereon or added hereto as herein provided.

*In Witness Whereof*, this Company has executed and attested these presents this.....day of.....19....., but this policy shall not be valid until countersigned by a duly authorized agent of the Company.

1 Fraud, misrepres-  
2 entation, etc. This entire policy shall be void if the insured  
3 has concealed or misrepresented any ma-  
4 terial fact or circumstance concerning this  
5 insurance or the subject hereof; or in case of any fraud or false  
6 swearing by the insured touching any matter relating to this  
7 insurance or the subject thereof, whether before or after a loss.

8 Uninsurable This policy shall not cover accounts, bills,  
9 and currency, deeds, evidences of debt, money,  
10 Excepted property. notes or securities, nor, unless specifically  
11 named hereon in writing, bullion, manu-  
12 scripts, mechanical drawings, dies or patterns.

13 Hazards not covered. This Company shall not be liable for loss  
14 or damage caused directly or indirectly by  
15 invasion, insurrection, riot, civil war or  
16 commotion, or military or usurped power, or by order of any  
17 civil authority; or by theft; or by neglect of the insured to use  
18 all reasonable means to save and preserve the property at and  
19 after a fire or when the property is endangered by fire in  
20 neighboring premises.

21 This entire policy shall be void unless otherwise provided  
22 by agreement in writing added hereto.

23 Ownership, etc. (a) if the interest of the insured be other than  
24 unconditional and sole ownership; or (b) if  
25 the subject of insurance be a building on ground not owned by  
26 the insured in fee simple; or (c) if, with the knowledge of the  
27 insured, foreclosure proceedings be commenced or notice given  
28 of sale of any property insured hereunder by reason of any mort-  
29 gage or trust deed; or (d) if any change, other than by the death  
30 of an insured, take place in the interest, title or possession of  
31 the subject of insurance (except change of occupants without  
32 increase of hazard); or (e) if this policy be assigned before a loss.

33 Unless otherwise provided by agreement in writing added  
34 hereto this Company shall not be liable for loss or damage  
35 occurring.

36 Other insurance. (a) while the insured shall have any other  
37 contract of insurance, whether valid or not,  
38 on property covered in whole or in part by this policy; or  
39 (b) while the hazard is increased by any

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39 Increase of hazard. means within the control or knowledge of  
40 the insured; or  
41 Repairs, etc. (c) while mechanics are employed in building,  
42 altering or repairing the described premises  
43 beyond a period of fifteen days; or  
44 Explosives, (d) while illuminating gas or vapor is generated  
45 gas, etc. on the described premises; or while  
46 (any usage or custom to the contrary notwithstanding)  
47 (e) there is kept, used or allowed on the described premises  
48 fireworks, greek fire, phosphorous, explosives, benzine,  
49 gasoline, naphtha or any other petroleum product of greater  
50 inflammability than kerosene oil, gunpowder exceeding twenty-  
51 five pounds, or kerosene oil exceeding five barrels; or  
52 Factories (e) if the subject of insurance be a manufacturing establishment while operated in  
53 whole or in part between the hours of ten P. M. and five A. M.,  
54 or while it ceases to be operated beyond a period of ten days; or  
55 Unoccupancy (f) while a described building, whether intended for occupancy by owner or tenant, is  
56 vacant or unoccupied beyond a period of ten days; or  
57 Explosion, (g) by explosion or lightning, unless fire  
58 Lightning. ensue, and, in that event, for loss or damage by fire only.  
59 Chattel mortgage. Unless otherwise provided by agreement in  
60 writing added hereto this Company shall  
61 not be liable for loss or damage to any property insured hereunder  
62 while encumbered by a chattel mortgage, and during the  
63 time of such encumbrance this Company shall be liable only  
64 for loss or damage to any other property insured hereunder.  
65 Fall of building. If a building, or any material part thereof,  
66 fall except as the result of fire, all insurance  
67 by this policy on such building or its contents shall immediately  
68 cease.  
69 Added Clauses. The extent of the application of insurance  
70 under this policy and of the contribution to  
71 be made by this Company in case of loss or damage, and any  
72 other agreement not inconsistent with or a waiver of any of  
73 the conditions or provisions of this policy, may be provided for  
74 by agreement in writing added hereto.  
75 Waiver. No one shall have power to waive any provision  
76 or condition of this policy except such  
77 as by the terms of this policy may be the subject of agreement  
78 added hereto, nor shall any such provision or condition be held  
79 to be waived unless such waiver shall be in writing added hereto,  
80 nor shall any provision or condition of this policy or any  
81 forfeiture be held to be waived by any requirement, act or proceeding  
82 in the part of this Company relating to appraisal or to any  
83 examination herein provided for; nor shall any privilege or  
84 mission affecting the insurance hereunder exist or be claimed by  
85 the insured unless granted herein or by rider added hereto.  
86 Cancellation. This policy shall be cancelled at any time  
87 of policy. at the request of the insured, in which case  
88 the Company shall, upon demand and  
89 render of this policy, refund the excess of paid premium above  
90 the customary short rates for the expired time. This policy  
91 may be cancelled at any time by the Company by giving to the  
92 insured a five days' written notice of cancellation with or without  
93 tender of the excess of paid premium above the pro rata  
94 premium for the expired time, which excess, if not tendered,

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98 shall be refunded on demand. Notice of cancellation shall state  
99 that said excess premium (if not tendered) will be refunded on  
100 demand.

101 **Pro rata liability.** This Company shall not be liable for a  
102 greater proportion of any loss or damage  
103 than the amount hereby insured shall bear to the whole  
104 insurance covering the property, whether valid or not and  
105 whether collectible or not.

106 **Noon.** The word "noon" herein means noon of  
107 standard time at the place of loss or damage.

108 **Mortgage** If loss or damage is made payable, in whole  
109 interests. or in part, to a mortgagee not named herein  
110 as the insured, this policy may be cancelled

111 as to such interest by giving to such mortgagee a ten days'  
112 written notice of cancellation. Upon failure of the insured to  
113 render proof of loss such mortgagee shall, as if named as insured  
114 hereunder, but within sixty days after notice of such failure, ren-  
115 der proof of loss and shall be subject to the provisions hereof as  
116 to appraisal and times of payment and of bringing suit. On pay-  
117 ment to such mortgagor of any sum for loss or damage here-  
118 under, if this Company shall claim that as to the mortgagor or  
119 owner, no liability existed, it shall, to the extent of such pay-  
120 ment be subrogated to the mortgagee's right of recovery and  
121 claim upon the collateral to the mortgage debt, but without  
122 impairing the mortgagee's right to sue; or it may pay the mort-  
123 gage debt and require an assignment thereof and of the mortgage.  
124 Other provisions relating to the interests and obligations of such  
125 mortgagee may be added hereto by agreement in writing.

126 **Requirements in** The insured shall give immediate notice, in  
127 case of loss. writing, to this Company, of any loss or  
128 damage, forthwith separate the damaged and undamaged  
129 personal property, put it in the best possible order, furnish a  
130 complete inventory of the destroyed, damaged and undamaged  
131 property, stating the quantity and cost of each article and the  
132 amount claimed thereon; and, the insured shall, within sixty  
133 days after the fire, unless such time is extended in writing by  
134 this Company, render to this Company a proof of loss, signed  
135 and sworn to by the insured, stating the knowledge and belief  
136 of the insured as to the following: the time and origin of the fire,  
137 the interest of the insured and of all others in the property, the  
138 cash value of each item thereof and the amount of loss or damage  
139 thereto, all incumbrances thereon, all other contracts of in-  
140 surance, whether valid or not, covering any of said property,  
141 any changes in the title, use, occupation, location, possession, or  
142 exposures of said property since the issuing of this policy, by  
143 whom and for what purpose any building herein described and  
144 the several parts thereof were occupied at the time of fire; and  
145 shall furnish a copy of all the descriptions and schedules in all  
146 policies and if required, verified plans and specifications of any  
147 building, fixtures or machinery destroyed or damaged. The  
148 insured, as often as may be reasonably required, shall exhibit  
149 to any person designated by this Company all that remains of  
150 any property herein described, and submit to examinations  
151 under oath by any person named by this Company, and  
152 subscribe the same; and, as often as may be reasonably  
153 required, shall produce for examination all books of account,  
154 bills, invoices, and other vouchers, or certified copies thereof,  
155 if originals be lost, at such reasonable time and place as may

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157 be designated by this Company or its representative, and shall  
158 permit extracts and copies thereof to be made.

159 **Appraisal.** In case the insured and this Company shall  
160 fail to agree as to the amount of loss or  
161 damage, each shall, on the written demand of either, select  
162 a competent and disinterested appraiser. The appraisers  
163 shall first select a competent and disinterested umpire; and  
164 failing for fifteen days to agree upon such umpire then, on  
165 request of the insured or this Company, such umpire shall be  
166 selected by a judge of a court of record in the state in which  
167 the property insured is located. The appraisers shall then  
168 appraise the loss and damage stating separately sound value  
169 and loss or damage to each item; and failing to agree, shall  
170 submit their differences only, to the umpire. An award in  
171 writing, so itemized, of any two when filed with this Company  
172 shall determine the amount of sound value and loss or  
173 damage. Each appraiser shall be paid by the party selecting  
174 him and the expenses of appraisal and umpire shall be paid  
175 by the parties equally.

176 **Company's options.** It shall be optional with this Company to  
177 take all, or any part, of the articles at the  
178 agreed or appraised value, and also to  
179 repair, rebuild, or replace the property lost or damaged with  
180 other of like kind and quality within a reasonable time, on  
181 giving notice of its intention so to do within thirty days  
182 after the receipt of the proof of loss herein required; but  
183 **Abandonment.** there can be no abandonment to this Com-  
184 pany of any property.

185 **When loss payable.** The amount of loss or damage for which  
186 this Company may be liable shall be payable  
187 sixty days after proof of loss, as herein  
188 provided, is received by this Company and ascertainment of  
189 the loss or damage is made either by agreement between the  
190 insured and this Company expressed in writing or by the  
191 filing with this Company of an award as herein provided.

192 **Suit.** No suit or action on this policy, for the  
193 recovery of any claim, shall be sustainable  
194 in any court of law or equity unless all the requirements of  
195 this policy shall have been complied with, nor unless com-  
196 menced within twelve months next after the fire.

197 **Subrogation.** This Company may require from the insured  
198 an assignment of all right of recovery  
199 against any party for loss or damage to the extent that pay-  
200 ment therefor is made by this Company.