

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

② LEROY J. LITTLE and
② CAROL LITTLE,
Plaintiffs
vs

④ ERIE INSURANCE GROUP,
Defendant

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* No. 00-729-CD
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* Type of Case: Civil
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* Type of Pleading: Complaint
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* Filed on Behalf of: Plaintiffs
*
*
*
* Counsel of Record for this Party:
* CHRIS A. PENTZ, ESQUIRE
*
* Supreme Court I.D. # 39232
* 211 ½ East Locust Street
* P. O. Box 552
* Clearfield PA 16830
* 814 765-4000

FILED

JUN 19 2000

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

vs

ERIE INSURANCE GROUP,
Defendant

*

*

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No. 00- -CD

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NOTICE

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty days after this Complaint and Notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for the money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

Office of Court Administrator
Clearfield County Courthouse
1 North Second Street
Clearfield PA 16830
814 765-2641

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

*

*

vs.

*

No. 00- -CD

*

ERIE INSURANCE GROUP,
Defendant

*

COMPLAINT

1. The Plaintiffs are Leroy J. Little and Carol Little, husband and wife, of R. R. # 1 Box 253, Clearfield, Clearfield County, Pennsylvania 16830.

2. The Defendant is Erie Insurance Group, an entity authorized to sell insurance in the Commonwealth of Pennsylvania, with a place of business at 100 Erie Insurance Place, Erie, Pennsylvania 16530.

3. The Plaintiffs obtained a Home Owner's policy through the Defendant, a copy of which is in the possession of the Defendant, and was in effect at all relevant times set forth in this Complaint.

4. The Plaintiffs were involved in litigation in the Court of Common Pleas of Clearfield County, Pennsylvania against Vic DeSantis t/d/b/a Woodworking and Construction filed to Docket No. 1595 of 1994 - C.D.

5. The Plaintiffs had a claim unrelated to the action filed to Docket # 1595 of 1994-CD against Vic DeSantis t/d/b/a

Woodworking and Construction which the Plaintiffs made claim upon and received funds under their Home Owners policy with the Defendant.

6. On or about March 11, 1996, the Defendant through their agent, Deborah Toreson, provided a General Release pursuant to their subrogation rights under the Home Owners policy which released Vic DeSantis t/d/b/a Vic DeSantis Woodworking and Construction, a copy of which is attached hereto and marked Plaintiffs' Exhibit "A".

7. At the time the General Release was given, the litigation in Clearfield County to Docket No. 1595 of 1994 - C.D. was still pending.

8. The Defendant failed to contact the Plaintiffs before providing the General Release.

9. As a result of the General Release, the Plaintiffs were required to pay Vic DeSantis t/d/b/a Wood Working and Construction in the 1595 of 1994 - C.D. litigation the sum of \$1,072.39 and costs of \$370.75.

10. The Plaintiffs also had a Counter Claim in the 1595 of 1994-CD litigation for the amount of \$ 6,105.34.

11. The Court of Common Pleas of Clearfield County ruled in the 1595 of 1994-CD litigation that the Release given by the Defendant barred Plaintiffs' Counter Claim.

WHEREFORE, Plaintiffs seek judgment against the Defendant,
Erie Insurance Group, in the amount of \$ 7,548.48, plus costs and
interest.

Respectfully submitted this 19 day of June, 2000

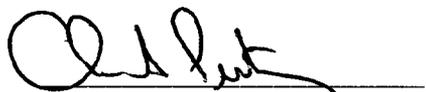

Chris A. Pentz
Attorney for Plaintiffs

EXHIBIT "A"

FOR AND IN CONSIDERATION OF the payment to me/us of the sum of (\$ 25,000.00)

Twenty-Five Thousand Dollars and no/100's Dollars, and other good and valuable consideration, I/we, being of lawful age, have released and discharged, and by these presents do for myself/ourselves, my/our heirs, executors, administrators and assigns, release, acquit and forever

discharge Victor DeSantis, DeSantis Construction, and Nationwide Mutual Fire Company

and any and all other persons, firms and corporations, whether herein named or referred to or not, of and from any and all past, present and future actions, causes of action, claims, demands, damages, costs, loss of services, expenses, compensation, third party actions, suits at law or in equity, including claims or suits for contribution and/or indemnity, of whatever nature, and all consequential damage on account of, or in any way growing out of any and all known and unknown personal injuries, death and/or property damage resulting or to result from an accident that occurred on

or about the 6th day of June 1994, at or near Turnpike Ave, Clearfield

I/we hereby declare and represent that the injuries sustained may be permanent and progressive and that recovery therefrom is uncertain and indefinite, and in making this release and agreement it is understood and agreed that I/we rely wholly upon my/our own judgment, belief and knowledge of the nature, extent and duration of said injuries, and that I/we have not been influenced to any extent whatever in making this release by any representations or statements regarding said injuries, or regarding any other matters, made by the persons, firms or corporations who are hereby released, or by any person or persons representing him or them, or by any physician or surgeon by him or them employed.

I/we understand that this settlement is the compromise of a doubtful and disputed claim, and that the payment is not to be construed as an admission of liability on the part of the persons, firms and corporations hereby released by whom liability is expressly denied.

It is agreed that distribution of the above sum shall be made as follows: FULL AND FINAL SETTLEMENT

OF PROPERTY DAMAGE CLAIM

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are contractual and not a mere recital.

I/we further state that I/we have carefully read the foregoing release and know the contents thereof, and I/we sign the same as my/our own free act.

WITNESS _____ hand and seal this _____ day of _____, 19____.

IN THE PRESENCE OF

Name _____)

Address _____)

Name _____)

Address _____)

State of Pennsylvania)
County of Erie) ss.

CAUTION! READ BEFORE SIGNING

[Signature] (SEAL)

(SEAL)

ERIE 7

MAR 11 1996

On this 11th day of March, 1996, before me personally appeared CLAIMS

_____ to me known to be the person.... described

herein, and who executed the foregoing instrument and _____ acknowledged that _____

_____ voluntarily executed the same.
Notarial Seal
Lynn Pitzer, Notary Public
Erie, Erie County
My Commission Expires Nov. 22, 1998
Member, Pennsylvania Association of Notaries

My term expires _____, 19____

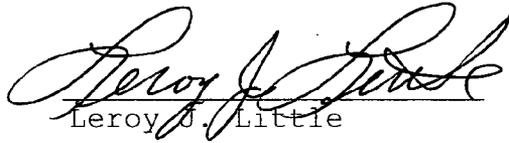
[Signature]
NOTARY PUBLIC

Auto 615-G

VERIFICATION

I, Leroy J. Little, verify that the statements made in this Complaint are true and correct. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

6/12/00
Date


Leroy J. Little

VERIFICATION

I, **Carol Little**, verify that the statements made in this **Complaint** are true and correct. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

June 12, 2000
Date

Carol A. Little
Carol Little

FILED

REC JUN 19 2000
D 3371 City Centre
William A. Shaw
Prothonotary Pd \$80.00
Roc

— Fold Here —

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST ST. P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

CHRIS A. PENTZ

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

LITTLE, LEROY J. & CAROLE
VS
ERIE INSURANCE GROUP

00-729-CD

COMPLAINT

SHERIFF RETURNS

NOW JUNE 21, 2000 ROBERT MERSKI, SHERIFF OF ERIE COUNTY WAS DEPUTIZED BY CHESTER A. HAWKINS, SHERIFF OF CLEARFIELD COUNTY TO SERVE THE WITHIN COMPLAINT ON ERIE INSURANCE GROUP DEFENDANT.

NOW JUNE 30, 2000 SERVED THE WITHIN COMPLAINT ON ERIE INSURANCE GROUP, DEFENDANT BY DEPUTIZING THE SHERIFF OF ERIE COUNTY. THE RETURN OF SHERIFF MERSKI IS HERETO ATTACHED AND MADE A PART OF THIS RETURN STATING THAT HE SERVED MONICA WATSON, RECPT.

27.88 SHFF. HAWKINS PAID BY: ATTY.
58.00 SHFF. MERSKI PAID BY: ATTY.
10.00 SURCHARGE PAID BY: ATTY.

SWORN TO BEFORE ME THIS

11th DAY OF July 2000
William A. Shaw

WILLIAM A. SHAW
Prothonotary
My Commission Expires
1st Monday in Jan. 2002
Clearfield Co., Clearfield, PA.

SO ANSWERS,

Chester A. Hawkins
by Marilyn Harris
CHESTER A. HAWKINS
SHERIFF

FILED

JUL 11 2000
9:43 pm
William A. Shaw
Prothonotary
E. KES

SHERIFF'S RETURN - REGULAR

CASE NO: 2000-00729 T

COMMONWEALTH OF PENNSYLVANIA:
COUNTY OF ERIE

LEROY J LITTLE ET AL

VS

ERIE INSURANCE GROUP

DEPUTY SCOTT CALDWELL, Deputy Sheriff of ERIE

County, Pennsylvania, who being duly sworn according to law,

says, the within COMPLAINT was served upon

ERIE INSURANCE GROUP the

DEFENDANT, at 1442:00 Hour, on the 30th day of June, 2000

at 100 ERIE INSURANCE PLACE

ERIE, PA 16530 by handing to

MONICA WATSON RECEPTIONIST

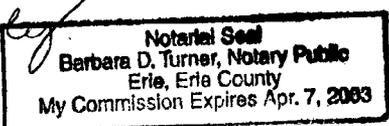
a true and attested copy of COMPLAINT together with

and at the same time directing Her attention to the contents thereof.

Sheriff's Costs:		So Answers:
Docketing	.00	<u>Bob Merski</u>
Service	.00	Bob Merski, Sheriff of Erie County
Affidavit	.00	By <u>Scott Caldwell</u>
Surcharge	.00	Deputy Sheriff
	.00	00/00/0000

Sworn and Subscribed to before
me this 3rd day of July
2000 A.D.

Barbara D Turner
Notary





OFFICE (814) 765-2641
AFTER 4:00 P.M. (814) 765-1533
CLEARFIELD COUNTY FAX
(814) 765-6089

Sheriff's Office Clearfield County

SUITE 116
1 NORTH SECOND STREET - COURTHOUSE
CLEARFIELD, PENNSYLVANIA 16830

CHESTER A. HAWKINS
SHERIFF

DARLENE SHULTZ
CHIEF DEPUTY
MARGARET PUTT
OFFICE MANAGER

MARILYN HAMM
DEPT. CLERK
PETER F. SMITH
SOLICITOR

DEPUTATION

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

LEROY J. LITTLE & CAROLE LITTLE

NO. 00-729-CD

VS

ACTION: COMPLAINT

ERIE INSURANCE GROUP

SERVE BY: 7/19/00

OR

HEARING DATE:

SERVE: ERIE INSURANCE GROUP

ADDRESS: 100 Erie Insurance Place, Erie, Pa. 16530

Know all men by these presents, that I, CHESTER A. HAWKINS,
HIGH SHERIFF of CLEARFIELD COUNTY, State of Pennsylvania, do hereby
deputize the SHERIFF of ERIE County to execute this writ.

This deputation being made at the request and risk of the plaintiff
this 21st day of JUNE 2000.

Respectfully,

CHESTER A. HAWKINS,
SHERIFF OF CLEARFIELD COUNTY

MAKE REFUND PAYABLE TO: CHRIS A. PENTZ, Attorney

RECEIPT FOR PAYMENT
=====

Erie County Pennsylvania
140 West Sixth St - 4th Floor
Erie, PA 16501-1077

Receipt Date 06/27/2000
Receipt Time 15:26:15
Receipt No. 135387

LEROY J LITTLE ET AL (VS) ERIE INSURANCE GROUP

Case Number 2000-00729 T
Service Info
Remarks ATTY PENTZ
BT/CIVIL

Total Check... + 58.00
Total Cash.... + .00
Cash Out..... - .00
Receipt total. = 58.00

Check No. 2178

----- Distribution Of Payment -----

Transaction Description	Payment Amount
SHERIFF FEES	58.00
	<u>58.00</u>

TREASURER OF ERIE COUNTY

CHRIS A. PENTZ
ATTORNEY AT LAW

211 1/2 EAST LOCUST ST. P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

CERTIFIED COPY



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

COPY

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs
vs

ERIE INSURANCE GROUP,
Defendant

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* No. 00-729 -CD
*
*
* Type of Case: Civil
*
*
* Type of Pleading: Complaint
*
*
*
*
* Filed on Behalf of: Plaintiffs
*
*
*
* Counsel of Record for this Party:
* CHRIS A. PENTZ, ESQUIRE
*
* Supreme Court I.D. # 39232
* 211 ½ East Locust Street
* P. O. Box 552
* Clearfield PA 16830
* 814 765-4000

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

JUN 19 2000

Attest:

William L. Shuman
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

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No. 00- -CD

vs

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ERIE INSURANCE GROUP,
Defendant

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Office of Court Administrator
Clearfield County Courthouse
1 North Second Street
Clearfield PA 16830
814 765-2641

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

*

*

vs.

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No. 00- -CD

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ERIE INSURANCE GROUP,
Defendant

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5. The Plaintiffs had a claim unrelated to the action filed to Docket # 1595 of 1994-CD against Vic DeSantis t/d/b/a

Woodworking and Construction which the Plaintiffs made claim upon and received funds under their Home Owners policy with the Defendant.

6. On or about March 11, 1996, the Defendant through their agent, Deborah Toreson, provided a General Release pursuant to their subrogation rights under the Home Owners policy which released Vic DeSantis t/d/b/a Vic DeSantis Woodworking and Construction, a copy of which is attached hereto and marked Plaintiffs' Exhibit "A".

7. At the time the General Release was given, the litigation in Clearfield County to Docket No. 1595 of 1994 - C.D. was still pending.

8. The Defendant failed to contact the Plaintiffs before providing the General Release.

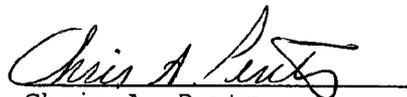
9. As a result of the General Release, the Plaintiffs were required to pay Vic DeSantis t/d/b/a Wood Working and Construction in the 1595 of 1994 - C.D. litigation the sum of \$1,072.39 and costs of \$370.75.

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WHEREFORE, Plaintiffs seek judgment against the Defendant,
Erie Insurance Group, in the amount of \$ 7,548.48, plus costs and
interest.

Respectfully submitted this 19th day of June, 2000


Chris A. Pentz
Attorney for Plaintiffs

FOR AND IN CONSIDERATION OF the payment to me/us of the sum of (\$ 25,000.00)

Twenty-Five Thousand Dollars and no/100's Dollars,
and other good and valuable consideration, I/we, being of lawful age, have released and discharged, and by these
presents do for myself/ourselves, my/our heirs, executors, administrators and assigns, release, acquit and forever

discharge Victor DeSantis, DeSantis Construction, and Nationwide Mutual
Fire Company

and any and all other persons, firms and corporations, whether herein named or referred to or not, of and from any and
all past, present and future actions, causes of action, claims, demands, damages, costs, loss of services, expenses,
compensation, third party actions, suits at law or in equity, including claims or suits for contribution and/or indem-
nity, of whatever nature, and all consequential damage on account of, or in any way growing out of any and all known
and unknown personal injuries, death and/or property damage resulting or to result from an accident that occurred on

or about the 5th day of June 1994, at or near Turnpike Ave, Clearfield

I/we hereby declare and represent that the injuries sustained may be permanent and progressive and that recovery
therefrom is uncertain and indefinite, and in making this release and agreement it is understood and agreed that I/we
rely wholly upon my/our own judgment, belief and knowledge of the nature, extant and duration of said injuries, and that
I/we have not been influenced to any extent whatever in making this release by any representations or statements
regarding said injuries, or regarding any other matters, made by the persons, firms or corporations who are hereby
released, or by any person or persons representing him or them, or by any physician or surgeon by him or them em-
ployed.

I/we understand that this settlement is the compromise of a doubtful and disputed claim, and that the payment
is not to be construed as an admission of liability on the part of the persons, firms and corporations hereby released
by whom liability is expressly denied.

It is agreed that distribution of the above sum shall be made as follows: FULL AND FINAL SETTLEMENT

OF PROPERTY DAMAGE CLAIM

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are
contractual and not a mere recital.

I/we further state that I/we have carefully read the foregoing release and know the contents thereof, and I/we
sign the same as my/our own free act.

WITNESS _____ hand and seal this _____ day of _____, 19____.

IN THE PRESENCE OF

Name _____)

Address _____)

Name _____)

Address _____)

State of Pennsylvania)
County of Erie) ss.

CAUTION! READ BEFORE SIGNING

[Signature] (SEAL)

(SEAL)

ERIE 7

MAR 11 1996

On this 11th day of March, 1996, before me personally appeared CLAIMS

_____ to me known to be the person.... described

herein, and who executed the foregoing instrument and _____ acknowledged that _____

_____ voluntarily executed the same.
Notarial Seal
Lynn Pitzer, Notary Public
Erie, Erie County
My Commission Expires Nov. 22, 1999
Member, Pennsylvania Association of Notaries

My term expires _____, 19____

[Signature]
NOTARY PUBLIC

VERIFICATION

I, Carol Little, verify that the statements made in this Complaint are true and correct. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

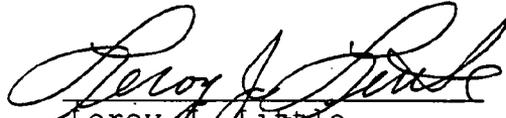
June 12, 2000
Date

Carol A. Little
Carol Little

VERIFICATION

I, Leroy J. Little, verify that the statements made in this Complaint are true and correct. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

6/12/00
Date


Leroy J. Little

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,

Plaintiffs

-vs-

ERIE INSURANCE GROUP,
Defendant

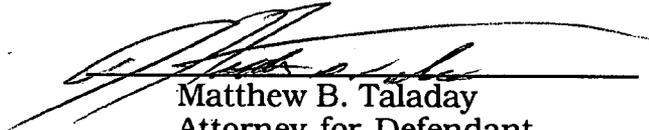
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No. 00-729- C.D.

PRAECIPE FOR ENTRY OF APPEARANCE

TO THE PROTHONOTARY:

Kindly enter my appearance for the Defendant, ERIE
Insurance Group, in the above captioned matter.



Matthew B. Taladay
Attorney for Defendant
Supreme Court No. 49663
498 Jeffers Street
P. O. Box 487
DuBois, PA 15801
(814) 371-7768

cc: Chris A. Pentz, Esq.
Attorney for Plaintiffs
P.O. Box 552
Clearfield, PA 16830

FILED

AUG 21 2000

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LERROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

-vs-

ERIE INSURANCE GROUP,
Defendant

No. 00-729- C.D.

STIPULATION TO AMEND CAPTION

The parties hereby agree and stipulate to amend the
caption in this case to read as follows:

LERROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

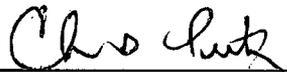
-vs-

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,
Defendant

No. 00-729-C.D.

CONSENTED TO:

HANAK, GUIDO AND TALADAY


Chris A. Rentz, Esq.
Attorney for Plaintiffs

By 
Matthew B. Taladay, Esq.
Attorney for Defendant

FILED

SEP 06 2000

M 10:49 AM

William A. Shein
Prothonotary

WAS

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

-vs-

ERIE INSURANCE EXCHANGE,
a licensed reciprocal insurance
exchange,
Defendant

CIVIL DIVISION

No. 00-729 C.D.

Type of Pleading:
**ANSWER AND
NEW MATTER**

Filed on Behalf of:
DEFENDANT

Counsel of Record for this Party:

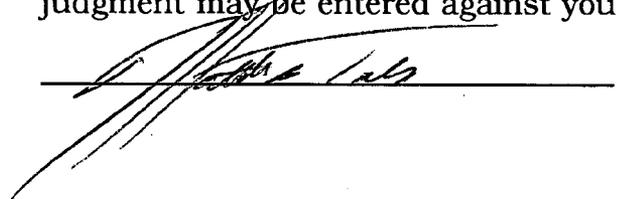
Matthew B. Taladay, Esquire
Supreme Court No. 49663
Hanak, Guido and Taladay
498 Jeffers Street
P.O. Box 487
DuBois, PA 15801
(814) 371-7768

FILED

SEP 11 2000

William A. Shaw
Prothonotary

You are hereby notified to plead
to the within pleading within twenty
(20) days of service thereof or default
judgment may be entered against you.



IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LERROY J. LITTLE and :
CAROL LITTLE, :
Plaintiffs :
-vs- : No. 00-729- C.D.
ERIE INSURANCE EXCHANGE, a :
licensed reciprocal insurance :
exchange, :
Defendant :

ANSWER

AND NOW, comes the Defendant, ERIE Insurance Group, by and through its attorneys, Hanak, Guido and Taladay, and hereby responds to Plaintiffs' Complaint as follows:

1. Admitted.
2. Denied. The ERIE Insurance Group is the collective name given to a number of separate entities licensed to sell insurance in the Commonwealth of Pennsylvania, with a place of business at 100 Erie Insurance Place, Erie, Pennsylvania 16530.
3. Denied, to the contrary, Plaintiffs obtained a homeowner's policy through ERIE Insurance Exchange, a licensed reciprocal insurance exchange in the Commonwealth of Pennsylvania, and a member of the ERIE Insurance Group. It is admitted that a copy of the insurance policy is in the possession of ERIE Insurance Exchange and was in effect at all times pertaining to the Complaint.
4. Admitted. However, by way of further answer, it is averred that Defendant, ERIE Insurance Exchange, received no notice

of this litigation prior to correspondence of Plaintiffs' counsel dated November 26, 1997.

5. Admitted in part and denied in part. It is admitted that the Plaintiffs made a claim against their policy of homeowners insurance for damage to their home which purportedly resulted from the negligence of Vic DeSantis, t/d/b/a Woodworking and Construction, which event occurred on or about June 6, 1994. By way of further answer, it is averred that ERIE Insurance Exchanged paid Plaintiffs for all submitted damage claims in the amount of \$46,187.96. ERIE Insurance Exchange pursued its subrogation interest against Vic DeSantis, t/d/b/a Woodworking and Construction pursuant to the terms of the policy of insurance between Plaintiffs and Defendant and received a settlement in the amount of \$25,000.00, representing the liability limit of Vic DeSantis under a policy of insurance issued by Nationwide Insurance Company.

6. Admitted in part and denied in part. It is admitted that a General Release was executed by ERIE Insurance Exchange by its agent, Debra Thoreson. By way of further answer, it is averred that the Release was provided to Nationwide Insurance and pertained only to any claim arising out of the incident of June 4, 1994. With regard to any characterizations of the Release as set forth in Plaintiffs' Complaint, it is averred that the Release, which is admitted to be attached to Plaintiffs' Complaint as Exhibit "A" and is a document which speaks for itself.

7. After reasonable investigation, Defendant is without knowledge sufficient to form a belief as to the truth of the averments of Plaintiffs' paragraph 7, and therefore the same are denied and strict

proof thereof is demanded at the time of trial. By way of further answer, it is averred that if Plaintiffs' claim was pending at the time of the Release, this action had nothing to do with the subject matter of the Release, and Plaintiffs provided no notice to Defendant regarding any outstanding claims against Vic DeSantis.

8. Denied.

9. Denied. To the contrary, Plaintiffs were found liable to Vic DeSantis following an Arbitration Hearing of July 15, 1999 regarding the merits of the claim of Vic DeSantis and against Plaintiffs. This matter was unrelated to the claim which was paid by Defendant and settled under the Release above referenced.

10. Admitted in part and denied in part. It is admitted that Plaintiffs asserted in their pleading at 1595 of 1994 C.D. a counterclaim in the amount of \$6,105.34. The merits of this counterclaim are denied and strict proof thereof is demanded.

11. Denied as stated. To the contrary, the arbitration award issued on July 15, 1999 disposed of Plaintiffs' Counterclaim on procedural grounds. By way of further answer, Plaintiffs chose not to pursue an appeal to the Arbitrator's Ruling and have therefore waived their right to a judicial determination of the legal affect of the Release.

WHEREFORE, Defendant, ERIE Insurance Exchange, demands judgment in its favor.

NEW MATTER

12. The Plaintiffs in their Counterclaim at No. 1595-1994 C.D. failed to properly plead the facts sufficient to show that the

Release executed by the agent of Defendant was not related to the subject matter of that litigation.

13. The Plaintiffs failed to present sufficient testimony and evidence at the Arbitration Hearing at No. 1595-1994 C.D. to differentiate the subject matter of the Release from the claim and Counterclaim.

14. The Plaintiffs failed to file an appeal from the Arbitrator's Determination finding in favor of Plaintiff and denying their Counterclaim and thereby waived the right to judicial determination of the legal impact of the Release.

15. Plaintiffs failed to promptly notify the Defendant of a potential claim and request defense and indemnity, thereby depriving Defendant of the right and opportunity to participate in proceedings regarding the scope and ramifications of the appeal.

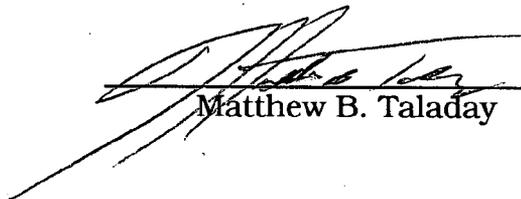
16. Plaintiffs are guilty of laches in failing to promptly and diligently pursue their available remedies concerning the scope and ramifications of the Release.

17. Plaintiffs' Counterclaim against Vic DeSantis at No. 1595-1994-CD is without merit and consequently Plaintiffs have not been damaged.

18. Any amounts awarded by the Arbitration Panel in favor of Vic DeSantis and against Defendant were not in any way impacted by the Release executed by ERIE Insurance Exchange and therefore not recoverable in this action.

WHEREFORE, Defendant, ERIE Insurance Exchange,
respectfully requests judgment in its favor.

HANAK, GUIDO AND TALADAY



Matthew B. Taladay

VERIFICATION

I, RONALD G. HABURSKY, being the LITIGATION SPECIALIST

of ERIE INSURANCE EXCHANGE, do hereby verify that I have read the foregoing Answer & New Matter. The statements therein are correct to the best of my personal knowledge or information and belief.

This statement and verification are made subject to the penalties of 18 Pa.C.S. Section 4904 relating to unsworn fabrication to authorities, which provides that if I make knowingly false averments I may be subject to criminal penalties.

Date: 8/16/00

Ronald G. Habursky

FILED

SEP 11 2000
M 11:35 AM
William A. Shaw
Prothonotary

WAS

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

-vs-

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,
Defendant

CIVIL DIVISION

No. 00-729 C.D.

Type of Pleading:
**CERTIFICATE
OF SERVICE**

Filed on Behalf of:
DEFENDANT

Counsel of Record for this Party:

Matthew B. Taladay, Esquire
Supreme Court No. 49663
Hanak, Guido and Taladay
498 Jeffers Street
P.O. Box 487
DuBois, PA 15801
(814) 371-7768

FILED

SEP 12 2000

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,

Plaintiffs

-vs-

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,

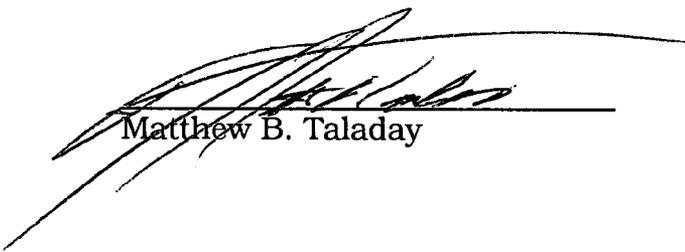
Defendant

No. 00-729- C.D.

CERTIFICATE OF SERVICE

I hereby certify that on the 11th day of September,
2000, I mailed by United States First Class Mail, postage prepaid, two
true copies of Defendant's Request for Production of Documents - First
Set to the following counsel of record:

Chris A. Pentz, Esq.
Attorney for Plaintiffs
P.O. Box 552
Clearfield, PA 16830


Matthew B. Taladay

FILED

SEP 12 2000
010:38/10 CC
William A. Shaw
Prothonotary
WAS

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LEROY J. LITTLE and *
CAROL LITTLE, *
Plaintiffs *
vs. * No. 00- 729 -CD
*
ERIE INSURANCE EXCHANGE, a *
licenses reciprocal insurance *
exchange. *
Defendant *

REPLY TO NEW MATTER

12. Paragraph 12 is a conclusion of law to which no response is required.

13. Paragraph 13 is a conclusion of law to which no response is required.

14. Paragraph 14 is denied. The Release in question was subject to an Opinion by the Court of Common Pleas Judge John K. Reilly and was judicially determined to be a General Release.

15. Paragraph 15 is denied. The Plaintiffs promptly notified Joseph Bucek, an agent of the Defendant immediately upon the Court determining that the Release was a General Release.

16. Paragraph 16 is denied. Answer as set forth in Paragraph 15 above is incorporated herein as though set forth in full.

17. Paragraph 17 is denied. The Plaintiffs' Counterclaim against Vic DeSantis was based in fact and in law and Plaintiffs

would have received judgments for the amounts claimed had it not been for the General Release executed by the Defendant.

18. Paragraph 18 is denied. The Release which was judicially determined to be a General Release and prevented the Plaintiffs from recovering against Vic DeSantis.

WHEREFORE, Plaintiffs respectfully request Your Honorable Court to enter judgment as set forth in Plaintiffs' Complaint.

Respectfully submitted this 10 day of October, 2000.



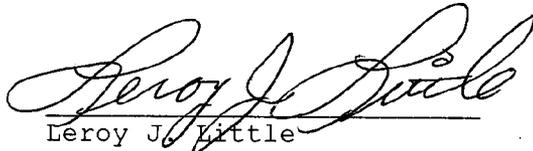
Chris A. Pentz, Esquire
Attorney for Plaintiffs

VERIFICATION

I, LEROY J. LITTLE, verify that the statements made in this REPLY are true and correct. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. §4904 relating to unsworn falsification to authorities.

10-05-00

Date


Leroy J. Little

VERIFICATION

I, CAROL LITTLE, verify that the statements made in this REPLY are true and correct. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. §4904 relating to unsworn falsification to authorities.

10/5/2000
Date

Carol Little
Carol Little

1110

OCT 11 2000

110-4711
WILKETA ST W

(Pentz)

cc aHg

Pentz

————— Fold Here —————

CHRIS A. PENTZ
ATTORNEY AT LAW

211 1/2 EAST LOCUST ST. P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

vs

No. 00-729-CD

ERIE INSURANCE EXCHANGE, a
Licenses reciprocal
insurance exchange,
Defendant

CERTIFICATE OF SERVICE

This is to certify that a certified copy of
the Plaintiffs' Request for Reply to New Matter was served upon:

Attorney Matthew Taladay
Attorney for Defendant
P. O. Box 487
DuBois PA 15801

Service was made from the U.S. Post Office, Clearfield PA 16830
by first class regular mail, postage prepaid.

Service was made the 16 day of October, 2000.


Chris A. Pentz
Attorney for Defendant

————— Fold Here —————

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST ST. P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

-vs-

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,
Defendant

CIVIL DIVISION

No. 00-729 C.D.

Type of Pleading:
**CERTIFICATE
OF SERVICE**

Filed on Behalf of:
DEFENDANT

Counsel of Record for this Party:

Matthew B. Taladay, Esquire
Supreme Court No. 49663
Hanak, Guido and Taladay
498 Jeffers Street
P.O. Box 487
DuBois, PA 15801
(814) 371-7768

FILED

DEC 13 2000

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,

Plaintiffs

-vs-

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,

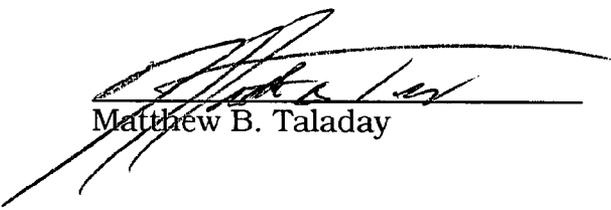
Defendant

No. 00-729- C.D.

CERTIFICATE OF SERVICE

I hereby certify that on the 12th day of December, 2000, I
mailed by United States First Class Mail, postage prepaid, two true
copies of Notices of Deposition of Plaintiffs to the following counsel of
record:

Chris A. Pentz, Esq.
Attorney for Plaintiffs
211-1/2 E. Locust Street
P.O. Box 552
Clearfield, PA 16830


Matthew B. Taladay

FILED

DEC 13 2000

010:48110<<
William A. Shaw
Prothonotary

W
Kps

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

-vs-

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,
Defendant

CIVIL DIVISION

No. 00-729 C.D.

Type of Pleading:
**CERTIFICATE
OF SERVICE**

Filed on Behalf of:
DEFENDANT

Counsel of Record for this Party:

Matthew B. Taladay, Esquire
Supreme Court No. 49663
Hanak, Guido and Taladay
498 Jeffers Street
P.O. Box 487
DuBois, PA 15801
(814) 371-7768

~~FILED~~

~~MAY 06 2001~~

~~William A. Shaw
Prothonotary~~

FILED

MAY 07 2001

m/8-30/mgs
William A. Shaw
Prothonotary

no c/c

WAS

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

-vs-

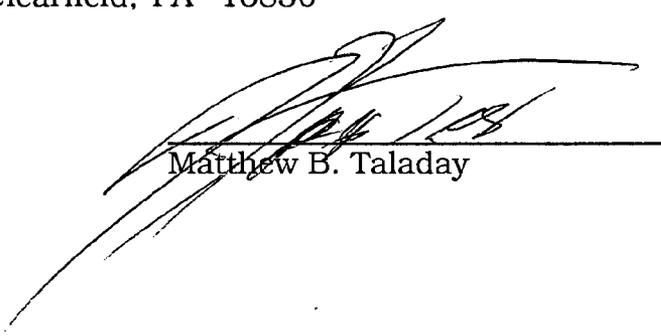
No. 00-729- C.D.

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,
Defendant

CERTIFICATE OF SERVICE

I hereby certify that on the 4th day of May, 2001, I mailed
by United States First Class Mail, postage prepaid, two true copies of
Defendant's Request for Production of Documents - Second Set to the
following counsel of record:

Chris A. Pentz, Esq.
Attorney for Plaintiffs
P.O. Box 552
Clearfield, PA 16830


Matthew B. Taladay

COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
CIVIL TRIAL LISTING

CERTIFICATE OF READINESS

TO THE PROTHONOTARY

No. 00-729 C.D.

01/30/02

CASE NUMBER TYPE TRIAL REQUESTED DATE PRESENTED
ESTIMATED TRIAL TIME

Date Complaint () Jury () Non-Jury
Filed: (X) Arbitration _____ Days
06/19/00

PLAINTIFF(S)

LEROY J. LITTLE and CAROL LITTLE ()

DEFENDANT(S)

ERIE INSURANCE EXCHANGE, a licensed reciprocal
insurance exchange ()

ADDITIONAL DEFENDANT(S)

Check Block if
a Minor is a
Party to the
Case

JURY DEMAND FILED BY:

DATE JURY DEMAND FILED:

FILED

AMOUNT AT ISSUE CONSOLIDATION DATE CONSOLIDATION ORDERED
JAN 31 2002

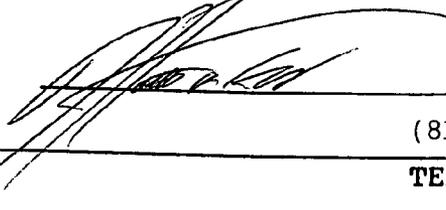
less more than
\$ 20,000.00

() yes (x) no

William A. Shaw
Prothonotary

PLEASE PLACE THE ABOVE CAPTIONED CASE ON THE TRIAL LIST.

I certify that all discovery in the case has been completed; all necessary parties and witnesses are available; serious settlement negotiations have been conducted; the case is ready in all respects for trial, and a copy of this Certificate has been served upon all counsel of record and upon all parties of record who are not represented by counsel.


Chris A. Pentz, Esq.
FOR THE PLAINTIFF

(814) 765-4000

TELEPHONE NUMBER

Matthew B. Taladay, Esq.
FOR THE DEFENDANT

(814) 371-7768

TELEPHONE NUMBER

FOR ADDITIONAL DEFENDANT

TELEPHONE NUMBER

FILED

07/11/17 2:01 PM

JAN 31 2002

William A. Shaw
Prothonotary

Atty Tala day

pd. 20.00

copy to dA

WAS



OFFICE OF COURT ADMINISTRATOR
FORTY-SIXTH JUDICIAL DISTRICT OF PENNSYLVANIA

CLEARFIELD COUNTY COURTHOUSE
230 EAST MARKET STREET, SUITE 228
CLEARFIELD, PENNSYLVANIA 16830

DAVID S. MEHOLICK
COURT ADMINISTRATOR

PHONE: (814) 765-2641
FAX: 1-814-765-~~6000~~ 7669

MARCY KELLEY
DEPUTY COURT ADMINISTRATOR

April 2, 2002

Chris A. Pentz, Esquire
Attorney at Law
Post Office Box 552
Clearfield, PA 16830

Matthew B. Taladay, Esquire
Hanak, Guido & Taladay
Post Office Box 487
DuBois, PA 15801

.RE: LEROY J. LITTLE, al
vs.
ERIE INSURANCE EXCHANGE
No. 00-729-CD

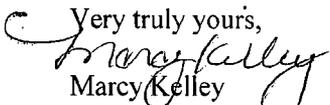
Dear Counsel:

The above case is scheduled for Arbitration Hearing to be held Thursday, June 13, 2002. The following have been appointed to the Board of Arbitrators:

Laurance B. Seaman, Esquire
F. Cortez Bell, III, Esquire
Gary A. Knaresboro, Esquire
Kimberly M. Kubista, Esquire
Paul Colavecchi, Esquire

If you wish to strike an Arbitrator, you must notify the undersigned within seven (7) days from the date of this letter the name you wish stricken from the list.

You will be notified at a later date the exact time of the Arbitration Hearing.

Very truly yours,

Marcy Kelley
Deputy Court Administrator

FILED

APR 16 2002

William A. Shaw
Prothonotary



OFFICE OF COURT ADMINISTRATOR
FORTY-SIXTH JUDICIAL DISTRICT OF PENNSYLVANIA

CLEARFIELD COUNTY COURTHOUSE
230 EAST MARKET STREET, SUITE 228
CLEARFIELD, PENNSYLVANIA 16830

DAVID S. MEHOLICK
COURT ADMINISTRATOR

PHONE: (814) 765-2641
FAX: 1-814-765-~~8089~~ 7649

MARCY KELLEY
DEPUTY COURT ADMINISTRATOR

April 15, 2002

Chris A. Pentz, Esquire
Attorney at Law
Post Office Box 552
Clearfield, PA 16830

Matthew B. Taladay, Esquire
Hanak, Guido & Taladay
Post Office Box 487
DuBois, PA 15801

RE: LEROY J. LITTLE, al
vs.
ERIE INSURANCE EXCHANGE
No. 00-729-CD

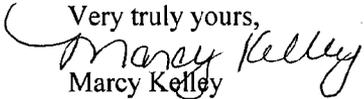
Dear Counsel:

The above case is scheduled for Arbitration Hearing to be held **Thursday, June 13, 2002 at 8:30 A.M.** The following have been appointed as Arbitrators:

F. Cortez Bell, III, Esquire, Chairman
Gary A. Knaresboro, Esquire
Kimberly M. Kubista, Esquire

Pursuant to Local Rule 1306A, you must submit your Pre-Trial Statement seven (7) days prior to the scheduled Arbitration. **The original should be forwarded to the Court Administrator's Office and copies to opposing counsel and each member of the Board of Arbitrators.** For your convenience, a Pre-Trial (Arbitration) Memorandum Instruction Form is enclosed as well as a copy of said Local rule of Court.

Very truly yours,


Marcy Kelley
Deputy Court Administrator

cc: F. Cortez Bell, III, Esquire
Gary A. Knaresboro, Esquire
Kimberly M. Kubista, Esquire

FILED

018:41-544
APR 16 2002

William A. Shaw
Prothonotary

POST

NO
CC

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
PENNSYLVANIA

Leroy J. Little and Carol Little
vs.
Erie Insurance Exchange

No. 2000-00729-CD

OATH OR AFFIRMATION OF ARBITRATORS

Now, this 13th day of June, 2002, we the undersigned, having been appointed arbitrators in the above case do hereby swear, or affirm, that we will hear the evidence and allegations of the parties and justly and equitably try all matters in variance submitted to us, determine the matters in controversy, make an award, and transmit the same to the Prothonotary within twenty (20) days of the date of hearing of the same.

F. Cortez Bell, III, Esq.

Gary A. Knaresboro, Esq.
Kimberly M. Kubista, Esq.

F C Bell III
Chairman
Gary A. Knaresboro
Kimberly M. Kubista

Sworn to and subscribed before me this
June 13, 2002

William A. Shaw
Prothonotary

FILED

JUN 13 2002

AWARD OF ARBITRATORS

Now, this 13th day of June, 2002, we the undersigned arbitrators appointed in this case, after being duly sworn, and having heard the evidence and allegations of the parties, do award and find as follows:

The Board majority finds in favor of the
Defendant, Erie Insurance Exchange.

F C Bell III Chairman
Gary Knaresboro, DISSIDENTING
Kimberly M. Kubista

(Continue if needed on reverse.)

ENTRY OF AWARD

Now, this 13th day of June, 2002, I hereby certify that the above award was entered of record this date in the proper dockets and notice by mail of the return and entry of said award duly given to the parties or their attorneys.

WITNESS MY HAND AND THE SEAL OF THE COURT

William A. Shaw
Prothonotary
By _____

Handwritten mark

FILED

No CC

Office of
JUN 13 2002

Notices to

Atty Pentz & Taladay

WAS

William A. Shaw
Prothonotary

Handwritten scribbles

Leroy J. Little
Carol Little

COPY

: IN THE COURT OF
PLEAS OF CLEARF

Vs.

: No. 2000-00729-CD

Erie Insurance Exchange

NOTICE OF AWARD

TO: MATHEW B. TALADAY

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on June 13, 2002, and have awarded:

The board majority finds in favor of the Defendant, Erie Exchange.

William A. Shaw

Prothonotary

By _____

June 13, 2002

Date

In the event of an Appeal from Award of Arbitration within thirty (30) days of date of award.

COPY

Leroy J. Little
Carol Little

: IN THE COURT OF
: PLEAS OF CLEARF

Vs.

: No. 2000-00729-CD
:

Erie Insurance Exchange

NOTICE OF AWARD

TO: CHRIS A. PENTZ

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on June 13, 2002, and have awarded:

The board majority finds in favor of the Defendant, Erie Exchange.

William A. Shaw

Prothonotary

By _____

June 13, 2002

Date

In the event of an Appeal from Award of Arbitration within thirty (30) days of date of award.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA
OFFICE OF THE PROTHONOTARY

VIC DESANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION
Plaintiff

CASE #94-1595-CD

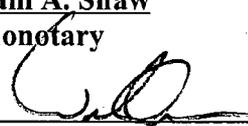
LEROY J. LITTLE and CAROL
LITTLE
Defendants

CERTIFICATION OF DOCKET ENTRIES

I, William A. Shaw, Prothonotary of the Court of Common Pleas of Clearfield County, Pennsylvania, do hereby certify that the attached is a certified and full copy of the docket entries in the above captioned case.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Seal of the Court, on the 12th, of June, 2002.

William A. Shaw
Prothonotary

BY: 

Deputy

WILLIAM A. SHAW
Prothonotary
My Commission Expires
1st Monday in Jan. 2006
Clearfield Co., Clearfield, PA

COURT OF COMMON PLEAS
 Clearfield County
 JUDICIAL DISTRICT
 E46

FROM

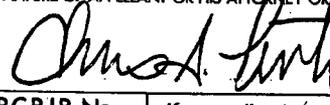
DISTRICT JUSTICE JUDGMENT

COMMON PLEAS No.

94-1595-CD

NOTICE OF APPEAL

Notice is given that the appellant has filed in the above Court of Common Pleas an appeal from the judgment rendered by the District Justice on the date and in the case mentioned below.

NAME OF APPELLANT Leroy J. Little and Carol Little		MAG. DIST. NO. OR NAME OF D.J. 46-3-02 (Ireland)
ADDRESS OF APPELLANT R. D. # 1 Box 253		CITY STATE ZIP CODE Clearfield PA 16830
DATE OF JUDGMENT 11/17/94	IN THE CASE OF (Plaintiff) Vic Desantis	(Defendant) Leroy J. Little, et al
CLAIM NO. CV 19 94 - 424 LT 19	SIGNATURE OF APPELLANT OR HIS ATTORNEY OR AGENT 	

This block will be signed ONLY when this notation is required under Pa. R.C.P.J.P. No. 1008B.
 This Notice of Appeal, when received by the District Justice, will operate as a SUPERSEDEAS to the judgment for possession in this case.

 Signature of Prothonotary or Deputy

If appellant was CLAIMANT (see Pa. R.C.P.J.P. No. 1001(6) in action before District Justice, he MUST FILE A COMPLAINT within twenty (20) days after filing his NOTICE of APPEAL.

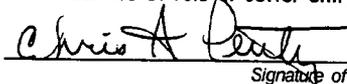
PRAECIPE TO ENTER RULE TO FILE COMPLAINT AND RULE TO FILE

(This section of form to be used ONLY when appellant was DEFENDANT (see Pa. R.C.P.J.P. No. 1001(7) in action before District Justice. IF NOT USED, detach from copy of notice of appeal to be served upon appellee).

PRAECIPE: To Prothonotary

Enter rule upon Vic Desantis, appellee(s), to file a complaint in this appeal
Name of appellee(s)

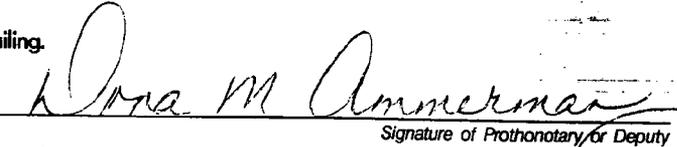
(Common Pleas No. 94-424-CD) within twenty (20) days after service of rule or suffer entry of judgment of non pros.
94-1595-CD


 Signature of appellant or his attorney or agent

RULE: To Vic Desantis, appellee(s).
Name of appellee(s)

- (1) You are notified that a rule is hereby entered upon you to file a complaint in this appeal within twenty (20) days after the date of service of this rule upon you by personal service or by certified or registered mail.
- (2) If you do not file a complaint within this time, a JUDGMENT OF NON PROS WILL BE ENTERED AGAINST YOU.
- (3) The date of service of this rule if service was by mail is the date of mailing.

Date: Dec 9, 1994


 Signature of Prothonotary or Deputy

FILED #4525
 ALLY Bentz

DEC 09 1994
 01:35 pm
 William A. Shaw
 Prothonotary

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
Plaintiff

vs.

LEROY J. LITTLE and CAROL
LITTLE, his wife
Defendants

: No. 1595 of 1994 C.D.
:
: TYPE OF CASE: CIVIL
:
: TYPE OF PLEADING: COMPLAINT
:
:
: FILED ON BEHALF OF:
: Plaintiff
:
:
: COUNSEL OF RECORD:
: R. EDWARD FERRARO, ESQ.
:
:
: Supreme Court No.: 05880
:
:
: FERRARO & YOUNG
: Attorneys at Law
: 690 Main Street
: Brockway, PA 15824
: (814) 268-2202

FILED

JAN 12 1995

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a :
WOOD WORKING AND CONSTRUCTION, :
Plaintiff :

vs. :

NO. 1595 of 1994 C.D.

LERoy J. LITTLE and :
CAROL LITTLE, his wife, :
Defendants :

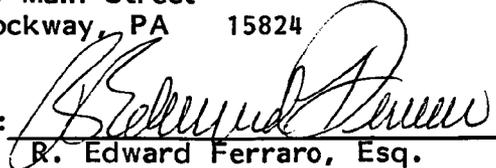
NOTICE TO DEFEND

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and Notice are served, by entering a written appearance personally or by attorney, and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so, the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the Complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

KEYSTONE LEGAL SERVICES, INC.
211½ East Locust Street
Clearfield, PA 16830
814/765-9646

FERRARO & YOUNG
Attorneys for Plaintiff
690 Main Street
Brockway, PA 15824

By: 
R. Edward Ferraro, Esq.

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : No. 1595 of 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
Plaintiff :
vs. :
LEROY J. LITTLE and CAROL :
LITTLE, his wife :
Defendants :

COMPLAINT

TO THE HONORABLE JUDGE OF SAID COURT:

AND NOW, comes the PLAINTIFF, VIC DeSANTIS, t/d/b/a WOOD WORKING AND CONSTRUCTION, and files this claim against the DEFENDANTS, LEROY J. LITTLE and CAROL LITTLE, his wife, as follows:

1. The PLAINTIFF is VIC DeSANTIS, t/d/b/a WOOD WORKING AND CONSTRUCTION, who is an individual and resides at 1600 Main Street, Brockway, Jefferson County, Pennsylvania 15824, and is of full age and sui juris.

2. The DEFENDANTS are LEROY J. LITTLE and CAROL LITTLE who reside at R.D. 1 Box 253, Clearfield, Clearfield County, Pennsylvania 16830, and are of full age and sui juris.

3. At all times material to the within Complaint, the DEFENDANTS are the owners of a certain house and building located at R.D. 1 Box 253, in Clearfield, Clearfield County, Pennsylvania 16830.

4. That at the request of the DEFENDANTS, the PLAINTIFF was requested to do certain work, which included the building of a two

(2) car garage, two (2) stories; closing in of a breezeway and back-step area, construction of certain other items, including work in the garage, windows, and items as set forth on the estimate of April 9, 1994, for the total amount of Thirty Three Thousand Seven Hundred Twenty Three Dollars (\$33,723.00), which agreement was reached between the parties on or about April 11, 1994.

5. Pursuant to the said agreement, the **PLAINTIFF** has done certain work, which commenced in April 1994, and continued through June 1994, and the **DEFENDANTS** paid to the **PLAINTIFF** the sum of Twenty Two Thousand Seven Hundred Sixty Dollars (\$22,760.00) for work that was done to date, which payment the **PLAINTIFF** acknowledges.

6. Due to the actions of the **DEFENDANTS**, **PLAINTIFF** was unable to complete the job, although he has always stood ready, willing and able to complete the job, and in addition to the Twenty Two Thousand Seven Hundred Sixty Dollars (\$22,760.00) paid to date, **PLAINTIFF** has done additional work for which no payment has been received.

7. In regards to the contract that was agreed upon by the parties, there was approximately Eleven Thousand Dollars (\$11,000.00) additional amount due to the **PLAINTIFF** for additional work to be done, but due to changes which the **DEFENDANTS** were constantly making, and demands made upon the **PLAINTIFF** by the **DEFENDANTS**, the **PLAINTIFF** could no longer satisfy the **DEFENDANTS**, and terminated his employment after completing certain additional work as set forth on Exhibit "A" in the amount of One Thousand Nine Hundred Seventy Seven Dollars 79/100ths (\$1,977.79), for which he has not been paid.

8. The items set forth on Exhibit "A" were completed and accepted by the DEFENDANTS, and are fair and reasonable, and the amounts normally charged in the business and trade, and, despite repeated demands, the DEFENDANTS have failed to make the said payments.

9. The terms of the original agreement are as outlined on the estimate of April 9, 1994, which is attached hereto and made a part hereof as Exhibit "B".

WHEREFORE, your PLAINTIFF prays your Honorable Court that judgment be entered in favor of the PLAINTIFF against the DEFENDANTS in the amount of One Thousand Nine Hundred Seventy Seven Dollars 79/100ths (\$1,977.79), plus interests and costs.

FERRARO & YOUNG

By:



R. Edward Ferraro
Attorney for Plaintiff

COMMONWEALTH OF PENNSYLVANIA

SS:

COUNTY OF JEFFERSON

Before me appeared R. EDWARD FERRARO, Attorney for VIC DeSANTIS, who, being duly sworn according to law, deposes and says that the facts set forth in the within Complaint are true and correct to the best of his knowledge, information and belief, and that in executing this Affidavit, the said VIC DeSANTIS has authorized the same to be done on his behalf.



R. Edward Ferraro

Sworn and subscribed before me
this _____ day of January, 1995.

Notary Public

VIC DeSANTIS t/d/b/a
WOOD WORKING AND CONSTRUCTION
Plaintiff

vs.

LEROY J. LITTLE and
CAROL LITTLE
Defendants

No.

EXHIBIT "A" TO CIVIL COMPLAINT

Plaintiff seeks damages against the Defendants for labor and materials on work done on the premises of the Defendants, over and above the amount contained in the contract and paid by the Defendants to the Plaintiff, which amounts are as follows:

- | | |
|--|----------------|
| 1. Sheeting of old house, including the cost of material and labor. | \$525.60 |
| 2. Changing location of window in garage, including labor and materials. | \$85.19 |
| 3. Changing of access to attic, including labor and materials. | \$56.00 |
| 4. Difference in material price for purchase of 40 year roof shingles, in place of 25 year roof shingles called for in contract, being difference of cost only (no labor). | \$910.00 |
| 5. Changing of garage opening, as contract calls for two (2) nine (9) foot openings, and Defendants changed specifications after original openings were cut in, resulting in Plaintiff needing to rebuild the opening to ten (10) foot openings for two (2) garage doors, requiring additional labor and framing in ten (10) foot section. | \$239.40 |
| 6. Framing in of bathroom windows in upstairs and downstairs above garage, including labor and materials not included in contract. | \$112.20 |
| 7. Construction of opening for exit door upstairs, including labor and materials. | <u>\$49.40</u> |

\$1,977.79

TOTAL:

EXHIBIT "A"

VIC DESANTIS

"WOOD WORKING AND CONSTRUCTION"

Guarenteed Quality Because We Care

1600 Main Street
Brockway, PA 15824
(814) 265-5672

NAME M/M Roy Little

DATE 4/9/94

ADDRESS _____

(Terms: 1/3 down, 1/3 due when job is half finished, and the balance due when job is completed)

ESTIMATE: \$ 33,723

THE ABOVE ESTIMATE INCLUDES WORK COMPLETED ON THE FOLLOWING:

- ① Building a two-car two story garage
- ② Closing in the breezeway and back step area
- ③ Using 2x6 in the exterior studding covered with 1/2" plywood sheathing
- ④ Using 2"x10" floor joice covered with 3/4" tongue/groove plywood
- ⑤ Trusses are to be 2x6 over 2x6 installed 16" on center, covered with 5/8 plywood.
- ⑥ Also included in this, 1 set 2-9' garage doors, 10 Andersen, high performance (w/ins. window), approximate size 5'x3', 3 steel exterior doors, 25 year fiber-glass roof shingles installed on garage and existing house roof.

EXHIBIT "B"

Vic DeSantis

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION
Plaintiff

vs

No. 1595 of 1994 C.D.

LEROY J. LITTLE and CAROL
LITTLE, his wife
Defendants

Type of Case: Civil

Type of Pleading: Answer and Counterclaim

Filed on Behalf of: Defendants

Counsel of Record for This Party: Chris A. Pentz, Esquire
211½ East Market Street
P. O. Box 552
Clearfield PA 16830
814 765-4000
Supreme Court # 39232

FILED

JUL 11 1997

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, T/D/B/A
WOOD WORKING AND CONSTRUCTION,
Plaintiff

vs

LEROY J. LITTLE and CAROL
LITTLE, his wife,
Defendants

*

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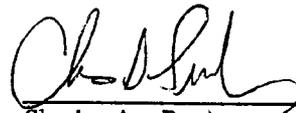
No. 1595 of 1994 C.D.

NOTICE TO PLEAD

To: R. Edward Ferraro, Esquire
Attorney for Vic DeSantis, t/d/b/a Wood Working Construction

You are hereby notified to file a written response to the enclosed Answer and Counterclaim within twenty (20) days from service hereof or a judgment may be entered against you.

Date: 7-11-97



Chris A. Pentz
Attorney for Defendants

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

*
VIC DeSANTIS, t/d/b/a *
WOOD WORKING AND CONSTRUCTION *
Plaintiff *
vs * No. 1595 of 1994 C.D.
*
LEROY J. LITTLE and CAROL *
Little, his wife *
Defendants *

ANSWER AND COUNTERCLAIM

A N S W E R

1. Paragraph # 1 is admitted.
2. Paragraph # 2 is admitted.
3. Paragraph # 3 is admitted.
4. Paragraph # 4 is admitted.
5. Paragraph # 5 is admitted.
6. Paragraph # 6 is denied. Plaintiff voluntarily left the job and no additional work was done by Plaintiff.
7. Answered as follows as to Exhibit:
 1. Admitted
 2. Denied. Not done in workmanlike manner. The window did not fit the frame opening dimensions.
 3. Admitted.
 4. Denied. Price difference is \$260.00.
 5. Denied. Ten foot was agreed size.
 6. Denied. Improper size. The window opening was framed too small to accept the window.
 7. Denied. Improper size. Door exit was framed at improper size to accept standard door.
8. Paragraph # 8 is denied. The Answer setforth in Paragraph #7 above is incorporated herein by reference.

9. Paragraph 9 is admitted in part and denied in part. The terms of the Agreement included the items set forth in Plaintiff's Exhibit "B" as well as the following items:

- a. Supply drywall and insulation for upstairs.
- b. Match garage to existing gable and eaves on house.
- c. Re-roof front porch.
- d. Remove existing chimney and relocate new chimney with false wall (two stories)
- e. Remove bedroom windows and replace with four 3'x 5' Anderson windows with horizontal slides.
- f. Install six windows in garage and second story.
- g. Remove bedroom window and stud in hole.
- h. Extend floor and frame in bedroom to breezeway with door opening.
- i. Frame in walls for mudroom into breezeway with door opening.
- j. Frame in laundry room and bathroom with door in second story.
- k. Frame in downstairs bathroom and entry way

WHEREFORE, Defendants request judgment in their favor.

COUNTERCLAIM

Defendants further say that they have a Cause for Action against the above named Plaintiff for the sum of \$6,105.34 of the following cause and nature:

10. Paragraphs # 1 through 9 are incorporated herein by reference.

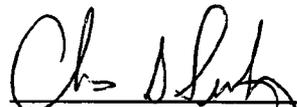
11. Defendant on the Counterclaim failed to perform or performed in an unworkmanlike manner the following:

a. Removal of existing eaves	\$ 600.00
b. Removal and disposal of existing chimney	480.00
c. Purchase and install ten windows	5338.40
d. Framing in of doorway of house to second story and purchase of door	199.20
e. Close in window in second story of house	174.40
f. Frame in window on second story of garage and outside sheeting	164.10
g. Sheeting for breezeway and corner of garage ...	72.45
h. Finishing floor in breezeway	512.85
i. Studding of Bathroom and entry way in breezeway .	288.00
j. Purchase of materials and roofing of front porch.	300.00
k. Frame in bathroom and laundryroom (second story)	744.00

m. Purchase and installation of two garage one opener	2400.00
n. Purchase of three doors	750.00
o. Purchase eighty sheets of drywall	380.00
p. Purchase 2000 square feet of insulation R-30 ..	417.00
q. Purchase 800 square feet of insulation R-19 ...	219.00
r. Purchase ten sheet 4'x 8' x ½"plywood	124.50
s. Re-framing and installation of main entry door onto breezeway, second story entry door, windows on breezeway, first and second story	955.00
t. Repair of roof covering garage and house due to leaking	1281.44
u. Installation of outside sheeting to Northeast and South walls of the garage	200.00
v. Lamination of second story support beam in garage	<u>1200.000</u>
Total	\$17,068.34

WHEREFORE, Defendants/Plaintiffs on the Counter Claim seek judgment against Vic DeSantis, t/d/b/a/ Wood Working and Construction, Plaintiff/Defendant on the Counter Claim, in the amount of \$ 6,105.34 .

Respectfully submitted this 11 day of July, 1997.



 Chris A. Pentz
 Attorney for Defendants

VERIFICATION

I, Carole Yutu, verify that the statements made in this Answer and Counterclaim are true and correct.

I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

7.9.97
date

Carole Yutu

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : NO. 1595 OF 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
PLAINTIFF :
VS. :
LEROY J. LITTLE and CAROL LITTLE, :
his wife, :
DEFENDANTS :

ORDER OF COURT

AND NOW, this 11th day of August, 1997, upon consideration of the attached Preliminary Objections, it is hereby ORDERED AND DECREED that a hearing shall be held on the 19th day of Sept., 1997, at 10:30 o'clock, A.m. in the main Courtroom of the Clearfield County Courthouse, Clearfield, Pennsylvania.

BY THE COURT:

/S/ JOHN K. REILLY, JR.

President Judge

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : NO. 1595 OF 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
PLAINTIFF :
VS. : TYPE OF PLEADING:
PRELIMINARY OBJECTIONS
TO DEFENDANTS'
COUNTERCLAIM
FILED ON BEHALF OF:
PLAINTIFF
COUNSEL OF RECORD:
JOHN H. FORADORA, ESQ.
LEROY J. LITTLE and CAROL LITTLE, : PONTZER & FORADORA
his wife, : 9 SOUTH MILL STREET
DEFENDANTS : RIDGWAY, PA 15853
(814) 773-3108
I.D. NO. 63413

PRELIMINARY OBJECTIONS
TO DEFENDANTS' COUNTERCLAIM

AND NOW, comes the Plaintiff, by and through his attorneys, Pontzer & Foradora, pursuant to Rule 1028 of the Pennsylvania Rules of Civil Procedure, and raises the following Preliminary Objections to the Defendants' Counterclaim:

1. Defendants lack capacity to sue the Plaintiff due the fact Defendants accepted a settlement sum of money and signed a general release to the Plaintiff for all alleged damages done to their residence.

2. The pleading includes scandalous and impertinent matter by including a claim for damages which were already settled and a general release executed.

3. The Court lacks jurisdiction over the subject matter of damages raised in the Defendants' Counterclaim, due to the fact that they accepted a settlement offer and signed a general release for these damages to the Defendant.

4. The Court lacks jurisdiction over the subject matter of the damages raised by the Defendant due to the fact that the Defendants accepted a settlement and executed a general release to the Plaintiff for settlement of these damages.

WHEREFORE, Plaintiff respectfully requests this Honorable Court to strike off the Defendants' Counterclaim due to the fact that they executed a general release to the Plaintiff.

RESPECTFULLY SUBMITTED:

BY: 
JOHN H. FORADORA, ESQ.
ATTORNEY FOR PLAINTIFF

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
PLAINTIFF

VS.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
DEFENDANTS

: NO. 1595 OF 1994 C.D.
:
: TYPE OF PLEADING:
: CERTIFICATE OF SERVICE
:
:
: FILED ON BEHALF OF:
: PLAINTIFF
:
: COUNSEL OF RECORD:
: JOHN H. FORADORA, ESQ.
: PONTZER & FORADORA
: 9 SOUTH MILL STREET
: RIDGWAY, PA 15853
: (814) 773-3108
: I.D. NO. 63413

CERTIFICATION OF SERVICE

I hereby certify that I am this day serving the foregoing
PRELIMINARY OBJECTIONS upon the persons and in the manner indicated
below, which service satisfies the requirements of the Pennsylvania
Rules of Civil Procedure:

Service by First Class Mail, Postage Prepaid,
Addressed As Follows:

CHRIS A. PENTZ, ESQ.
211 ½ EAST MARKET STREET
P.O. BOX 552
CLEARFIELD, PA 16830-0552

PONTZER & FORADORA

Dated: 8/15, 1997

By: 
JOHN H. FORADORA, ESQ.
ATTORNEY FOR DEFENDANT

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
Plaintiff

Vs.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
Defendant

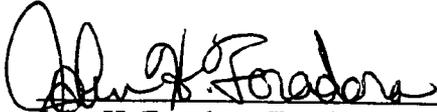
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STIPULATION

STIPULATION

The parties hereby Stipulate and agree to the following facts:

1. Joint Exhibit "A" and Joint Exhibit "B" attached to this Stipulation shall be entered as a matters of record in this case.
2. Deborah Toreson is an employee of Erie Insurance Group, and she is the person who executed the Release attached as Joint Exhibit "A".



John H. Foradora, Esquire
Attorney for Plaintiff



Chris A. Pentz, Esquire
Attorney for Defendant

FILED

APR 22 1999

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : No. 1595 of 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
Plaintiff :
Vs. : ORDER OF COURT
LEROY J. LITTLE and CAROL LITTLE, :
his wife, :
Defendant :

ORDER

AND NOW, this 22nd day of April, 1999, upon consideration of
the evidence submitted by Stipulation and arguments of Counsel, at Argument held April 6, 1999,
it is hereby **ORDERED AND DECREED** that Plaintiff's Preliminary Objections to the Defendant's
Counter-Claim are **GRANTED** and the Defendant's Counter-Claim is hereby **DISMISSED**.

BY THE COURT:

/s/ JOHN K. REILLY, JR.

President Judge

FILED

APR 22 1999

William A. Shaw
Prothonotary

MAR 12 1996

RELEASE OF ALL CLAIMS CLAIM KEY 5437PR838672060694

FOR AND IN CONSIDERATION OF the payment to me/us of the sum of (\$ 25,000.00)

Twenty-Five Thousand Dollars and no/100's Dollars, and other good and valuable consideration, I/we, being of lawful age, have released and discharged, and by these presents do for myself/ourselves, my/our heirs, executors, administrators and assigns, release, acquit and forever

discharge Victor DeSantis, DeSantis Construction, and Nationwide Mutual Fire Company

and any and all other persons, firms and corporations, whether herein named or referred to or not, of and from any and all past, present and future actions, causes of action, claims, demands, damages, costs, loss of services, expenses, compensation, third party actions, suits at law or in equity, including claims or suits for contribution and/or indemnity, of whatever nature, and all consequential damage on account of, or in any way growing out of any and all known and unknown personal injuries, death and/or property damage resulting or to result from an accident that occurred on

or about the 6th day of June 1994, at or near Turnpike Ave, Clearfield

I/we hereby declare and represent that the injuries sustained may be permanent and progressive and that recovery therefrom is uncertain and indefinite, and in making this release and agreement it is understood and agreed that I/we rely wholly upon my/our own judgment, belief and knowledge of the nature, extent and duration of said injuries, and that I/we have not been influenced to any extent whatever in making this release by any representations or statements regarding said injuries, or regarding any other matters, made by the persons, firms or corporations who are hereby released, or by any person or persons representing him or them, or by any physician or surgeon by him or them employed.

I/we understand that this settlement is the compromise of a doubtful and disputed claim, and that the payment is not to be construed as an admission of liability on the part of the persons, firms and corporations hereby released by whom liability is expressly denied.

It is agreed that distribution of the above sum shall be made as follows: FULL AND FINAL SETTLEMENT

OF PROPERTY DAMAGE CLAIM

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are contractual and not a mere recital.

I/we further state that I/we have carefully read the foregoing release and know the contents thereof, and I/we sign the same as my/our own free act.

WITNESS _____ hand and seal this _____ day of _____, 19__.

IN THE PRESENCE OF

Name _____)

Address _____)

Name _____)

Address _____)

State of Pennsylvania)
County of Erie) ss.

CAUTION! READ BEFORE SIGNING
Lynn Pitzer (SEAL)

_____ (SEAL)

ERIE 7

MAR 11 1996

On this 11th day of March, 1996, before me personally appeared CLAIMS

_____ to me known to be the person.... described herein, and who executed the foregoing instrument and _____ acknowledged that _____

_____ voluntarily executed the same.

Notarial Seal
Lynn Pitzer, Notary Public
Erie, Erie County
My Commission Expires Nov. 22, 1999

My term expires _____, 19__.

Lynn Pitzer
NOTARY PUBLIC

ERIE INSURANCE GROUP is proud to present this Extracover HomeProtector Policy. This important contract between YOU and The ERIE consists of this policy with coverage agreements, limitations, exclusions and conditions, a Declarations, plus any endorsements. It is written in plain, simple terms so it can be easily understood. We urge YOU to read this policy.

This policy contains many EXTRA PROTECTION FEATURES developed by The ERIE. Wherever an "X" appears in the margin of this policy, YOU receive EXTRA PROTECTION, either as additional coverage or as a coverage not found in most homeowners policies.

The protection given by this policy is in keeping with the single purpose of our Founders: "To provide YOU with as near PERFECT PROTECTION, as near PERFECT SERVICE, as is humanly possible, and to do so at the LOWEST POSSIBLE COST."

AGREEMENT

ERIE INSURANCE EXCHANGE ONLY

In return for your timely premium payment, your compliance with all of the provisions of this policy, and your signing of a Subscriber's Agreement with Erie Indemnity Company and other Subscribers, we agree to provide the coverages you have purchased. Your coverages and amounts of insurance are shown on the Declarations, which are part of this policy.

Your signing the Subscriber's Agreement, which includes a limited power-of-attorney, permits Erie Indemnity Company, as Attorney-in-Fact, to make reciprocal insurance contracts between you and other Subscribers and otherwise manage the business of the Erie Insurance Exchange. This power-of-attorney applies only to your insurance business at the Exchange and is limited to the purposes described in the Subscriber's Agreement.

Your responsibility as a Subscriber is determined by this policy and the Subscriber's Agreement. You are liable for just the policy premiums charged and are not subject to any other assessment under the policy.

This agreement is made in reliance on the information you have given us, and is subject to all the terms of this policy.

This policy, all endorsements to it, and the Subscriber's Agreement constitute the entire agreement between you and us.

ERIE INSURANCE PROPERTY AND CASUALTY COMPANY ONLY

In return for your timely premium payment and your compliance with all of the provisions of this policy, we agree to provide the coverages you have purchased. Your coverages and amounts of insurance are shown on the Declarations, which are part of this policy.

DEFINITIONS

Throughout your policy and its endorsements the following words have a special meaning when they appear in bold type:

- "aircraft" means any machine or device capable of atmospheric flight except model airplanes.
- "anyone we protect" means you and the following residents of your household:

This agreement is made in reliance on the information you have given us, and is subject to all the terms of this policy.

This policy and all endorsements to it constitute the entire agreement between you and us.

APPLICABLE TO ERIE INSURANCE EXCHANGE AND ERIE INSURANCE PROPERTY AND CASUALTY COMPANY

We promise, upon timely payment of the premium and compliance with the provisions of this policy and its endorsements:

1. To cover you from 12:01 A.M., Standard Time, at the location of the insured property, on the date shown on the Declarations as the first day of the policy period. Coverage will continue in force until terminated.
2. To protect you up to the amounts specified in the policy.

You may not transfer this policy without our consent.

This policy is made and accepted subject to these and the following provisions, including those which may be added by endorsement.

1. relatives and wards;
2. other persons in the care of anyone we protect. X

Under *Home and Family Liability Protection*, anyone we protect also means:

3. any person or organization legally responsible for animals or watercraft which are owned by you, or any person included in 1. or 2., and covered X

by this policy. Any person or organization using or having custody of these animals or watercraft in the course of any business, or without permission of the owner is not anyone we protect;

4. any person with respect to any vehicle covered by this policy. Any person using or having custody of this vehicle in the course of any business use, or without permission of the owner is not anyone we protect.

X • "bodily injury" means physical harm, sickness or disease, including mental anguish, care, loss of services, or resulting death, but does not include:

1. any communicable disease or condition transmitted by anyone we protect to any other person through a parasite, virus, bacteria or any other organism.

2. the exposure to or transmission of any disease, parasite, virus, bacteria or other organism by anyone we protect to any other person.

• "business" means any activity engaged in as a trade, profession or occupation, including farming.

• "Declarations", "Amended Declarations", "Continuation Notice", "Revised Declarations", and "Renewal Certificate" means the forms which show your coverages, amounts of insurance, premium charges and other information. These forms are part of your policy.

• "insured location" means:

1. the residence premises;

2. the part of any other premises, other structures, and grounds acquired by you during the policy period which you intend to use as a residence premises;

3. any premises used by anyone we protect in connection with premises included in 1. or 2.;

4. any part of a non-owned premises:

a. where anyone we protect is temporarily residing; or

b. occasionally rented to anyone we protect for non-business purposes;

5. vacant land, other than farmland, owned by or rented to anyone we protect;

6. land owned by or rented to anyone we protect on which a one or two family residence is being built for occupancy by anyone we protect;

7. cemetery plots or burial vaults of anyone we protect.

X
X • "medical expense" means reasonable charges for necessary medical, surgical, x-ray and dental services, including prosthetic devices, eyeglasses, contacts, hearing aids and pharmaceuticals; and also includes ambulance, hospital, licensed nursing and funeral services.

• "occurrence" means an accident, including continuous or repeated exposure to the same general harmful conditions.

• "personal injury" means injury arising out of:

1. bodily injury;

2. libel, slander, or defamation of character;

3. false arrest, wrongful detention or imprisonment, malicious prosecution, racial or religious discrimination, wrongful entry or eviction, invasion of privacy, or humiliation caused by any of these.

• "property damage" means damage to or loss of use of tangible property.

• "residence employee" means an employee of anyone we protect who performs duties in connection with the maintenance or use of the residence premises, including similar duties elsewhere, not in connection with the business of anyone we protect.

• "residence premises" means the dwelling where you reside, including the structures and grounds, or that part of any other building where you reside and which is shown as residence premises on the Declarations.

X

ADDITIONAL ERIE INSURANCE EXCHANGE DEFINITIONS

The following words have special meaning in policies issued by *Erie Insurance Exchange*:

• "Subscriber" means the person(s) who signed the Subscriber's Agreement.

• "Subscriber's Agreement" means the agreement, including a limited power-of-attorney, among the Subscribers and the Erie Indemnity Company, as Attorney-in-Fact.

• "We", "us", or "our" means the Subscribers at *Erie Insurance Exchange* as represented by their common Attorney-in-Fact, Erie Indemnity Company.

• "You", "your", or "Named Insured" means the Subscriber and others named on the Declarations under Named Insured. Except in the GENERAL POLICY CONDITIONS, these words include the spouse of the Subscriber if a resident of the same household.

ADDITIONAL ERIE INSURANCE PROPERTY AND CASUALTY COMPANY DEFINITIONS

The following words have special meaning in policies issued by *Erie Insurance Property and Casualty Company*:

• "We," "us", or "our" means *Erie Insurance Property and Casualty Company*.

• "You", "your", or "Named Insured" means the person(s) named on the Declarations under Named Insured. Except in the GENERAL POLICY CONDITIONS, these words include your spouse if a resident of the same household.

WHEN AND WHERE THIS POLICY APPLIES

This policy applies to losses that occur during the policy period. The policy period is shown on the **Declarations** or **Amended Declarations**.

Property Protection -- Section I. This policy applies to property losses as designated in the specific coverage and at the location(s) insured under this policy. In addition,

personal property is covered while located anywhere in the world.

Home and Family Liability Protection -- Section II. This policy applies to personal injury and property damage losses occurring anywhere in the world.

PROPERTY PROTECTION -- SECTION I

DWELLING COVERAGE

OUR PROMISE

We will pay for loss to:

1. Your dwelling at the residence premises shown on the **Declarations**. Dwelling includes attached structures, and building equipment and fixtures servicing the premises.
2. Construction material at the residence premises for use in connection with your dwelling.

This coverage does not apply to land.

OTHER STRUCTURES COVERAGE

OUR PROMISE

We will pay for loss to:

1. Other structures at the residence premises separated from the dwelling, including garages, fences, shelters, tool sheds or carports.
Structures connected to the dwelling by only a fence, utility line, or similar connection are considered to be other structures.
2. Construction material at the residence premises for use in connection with your other structures.

We do not pay for loss to structures used in whole or in part for **business** purposes (except rental or holding for rental of structures used for private garage purposes).

This coverage does not apply to land.

PERSONAL PROPERTY COVERAGE

OUR PROMISE

We will pay for loss to:

1. Personal property owned or used by anyone we protect anywhere in the world.
2. At your option, personal property owned by others while the property is on your residence premises.
3. At your option, personal property of:

a. guests and residence employees while the property is in a residence occupied by anyone we protect;

b. residence employees away from the residence premises while actually engaged in the service of anyone we protect. X

4. At your option, building additions, alterations, fixtures, improvements or installations made, or acquired at your expense, by you to residences occupied by, but not owned by you, for an amount not exceeding 10% of the amount of insurance under this coverage. Payment will not increase the applicable amount of insurance under this policy. X

5. Cemetery property, including monuments, headstones, gravemarkers, and urns.

6. Animals, birds and fish, but only while on the residence premises, for the following perils to the extent covered under *Perils We Insure Against: Fire or Lightning, Windstorm or Hail, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Smoke and Vandalism or Malicious Mischief*. X

7. Electronic apparatus and equipment, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power. Electronic apparatus includes cellular phones, fax machines, radios, tape and disc players, and similar equipment or devices for the recording, reproduction, receiving or transmitting of sound or pictures. Electronic apparatus also includes accessories used in conjunction with such apparatus, including antennas, tapes, wires, records, discs or other media. X

We do not pay for loss to electronic apparatus and equipment which is solely powered from the electrical system of motor vehicles or any other motorized land conveyances. Accessories to these devices, including antennas, tapes, wires, records, discs or other media are not covered while in or upon the motor vehicle or conveyance. However, when there is a loss of tapes or compact discs by theft, we will pay up to \$150 for the tapes or compact discs.

We do not pay for loss to:

1. Land motor vehicles and parts. We do cover vehicles designed to assist the handicapped, and vehicles used to service the residence premises, not subject to motor vehicle registration. X

2. Aircraft and parts.

- | | | | |
|---|--|--|---|
| 3. Property rented or held for rental to others away from the residence premises. | \$500 | •Business property away from the residence premises, regardless of whether the business is conducted on or away from the residence premises. | X |
| 4. Property of roomers, boarders or tenants not related to anyone we protect. | | | |
| 5. | \$3000 | •Theft of guns | X |
| a. Books of account, drawings, or other paper records containing business data; or | \$3000 | •Theft of jewelry, watches, furs, precious and semi-precious stones | X |
| b. Electronic data processing tapes, wires, records, discs, or other software media containing business data. | \$3000 | •Theft of silverware, silver-plated ware, goldware, gold-plated ware and pewterware | X |
| However, we do cover the cost of unexposed or blank records or media. | 10% of Personal Property Coverage — (but not less than \$2000) | •Personal property usually situated at any residence owned or occupied by anyone we protect other than a residence premises. Personal property in a newly-acquired principal residence is not subject to this limitation for the 30 days immediately after you begin to move property there. | X |
| 6. Radar detectors. | | | |
| 7. Property specifically insured by this or any other insurance. | | | |
| 8. Except as provided under <i>Special Limits -- Personal Property</i> , property pertaining to a business conducted away from the residence premises unless at the time of loss such property is on the residence premises. However, we do not cover such property on the residence premises while it is stored, held as samples, or held for sale or delivery after sale. | | | |

SPECIAL LIMITS - PERSONAL PROPERTY

Limitations apply to the following personal property. These limits do not increase the amount of insurance under *Personal Property Coverage*:

Total Amount of Insurance In Any One Loss	Description of Personal Property Subject to Limitations
\$250	•Animals, birds and fish
X \$250	•Money, bank notes, bullion, numismatic property, gold other than goldware or gold-plated ware, silver other than silverware or silver-plated ware, and platinum
\$1000	•Theft of trading cards, including sports cards.
X \$2000	•Accounts, bills, deeds, evidences of debt, letters of credit, notes other than bank notes, passports, securities, tickets, stamps and philatelic property
X \$2000	•Trailers and campers not otherwise insured, whether licensed or not
X \$2000	•Watercraft, including their trailers, whether licensed or not, furnishings, equipment and outboard motors
\$2000	•Manuscripts
\$2500	•Property pertaining to a business actually conducted on the residence premises, including property in storage, held as samples, or held for sale or delivery after sale.

LOSS OF USE COVERAGE

OUR PROMISE

If an insured property loss makes your residence premises uninhabitable, we will pay all reasonable additional living expenses while you and members of your household reside elsewhere.

Payment shall be for the shortest time required to repair or replace the premises or, if you choose, for you to permanently relocate.

These payments will not exceed a 12 month period.

We will also pay for your loss of normal rents resulting from the loss, less charges and expenses which do not continue while the rented part of the residence premises is uninhabitable. We will pay this loss of normal rents only until the rented part is habitable.

If a loss from a peril covered under *Perils We Insure Against* occurs at a neighboring premises, we will pay additional living expenses and loss of normal rents for up to two weeks should civil authorities prohibit you from occupying your premises.

These periods of time are not limited by the expiration of this policy.

No deductible applies to this coverage.

We will not pay for loss or expense due to the cancellation of any lease or agreement.

This coverage also applies to a loss at a covered secondary location.

PERILS WE INSURE AGAINST

DWELLING AND OTHER STRUCTURES COVERAGES

We pay for risks of direct physical loss to property insured under the *Dwelling and Other Structures Coverages* except as excluded or limited herein.

We do not pay for loss:

1. Involving collapse, other than as provided in *Additional Losses We Will Pay, (2) Collapse*;
2. Caused by freezing by temperature reduction of a plumbing, heating, air conditioning, gutters and drain spouts, or fire protective system, or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing, while the dwelling is vacant, unoccupied or being constructed.

There is coverage if you have used reasonable care to:

- a. maintain heat in the building; or
 - b. shut off the water supply and drain the system or appliances of water.
3. By freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a fence, pavement, patio, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock.
 4. Caused by constant or repeated seepage or leakage of water or steam over a period of weeks, months or years from within a plumbing, heating, air conditioning, or fire protective system, or a household appliance.

However, there is coverage if the loss is sudden and accidental.

5. Caused by:
 - a. termites, vermin, insects, rodents, birds, skunks, raccoons, spiders or reptiles;
 - b. mechanical breakdown, deterioration, wear and tear, marring, inherent vice, latent defect, rust, smog, wet or dry rot, mold, fungus or spores;
 - c. contamination;
 - d. smoke from agricultural smudging or industrial operations;
 - e. bulging, cracking, expansion, settling or shrinking in ceilings, foundations, floors, patios, pavements, roofs or walls.

X If a. through e. cause water damage not otherwise excluded, from a plumbing, heating, air conditioning, gutters or drain spouts, or fire protective system, household appliance, waterbed or aquarium, we cover loss caused by the water. Coverage includes the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. This does not include loss to the defective system or appliance (other than a waterbed or aquarium) from which the water escaped.

6. Caused by weather conditions if any peril excluded by this policy contributes to the loss in any way.
7. Caused by acts or decisions, including the failure to act or decide, of any person, group, organization, or governmental body if any peril excluded by this policy contributes to the loss in any way.
8. Caused by, resulting from, contributed to or aggravated by faulty or inadequate
 - a. planning, zoning, development;
 - b. design, development of specifications, workmanship, construction;
 - c. materials used in construction; or
 - d. maintenance;of property whether on or off the residence premises by any person, group, organization, or governmental body if any peril excluded by this policy contributes to the loss in any way.
9. Caused by animals or birds kept by anyone we protect or kept by a residence employee of anyone we protect.
10. By theft of property from within a dwelling under construction unless that property has become a part of the building, or of materials and supplies for use in the construction until the dwelling is completed and occupied.

Under items 1. through 10. any ensuing loss not excluded is covered.

See *Section I - What We Do Not Cover - Exclusions* for additional losses excluded.

PERSONAL PROPERTY COVERAGE

We pay for direct physical loss to property insured under *Personal Property Coverage* caused by any of the following perils, unless the loss is excluded elsewhere under this policy:

1. Fire or Lightning.
2. Windstorm or Hail, but not including loss:
 - a. caused by frost, cold weather, ice, snow, sleet, sand or dust;
 - b. to property contained in a building, unless the building is first damaged by the direct force of wind or hail; or
 - c. to watercraft (except rowboats and canoes at an insured location) and their trailers, furnishings, equipment and motors unless inside a fully enclosed building.
3. Explosion.
4. Sonic Boom.
5. Riot or Civil Commotion.
6. Aircraft, including missiles and spacecraft.
7. Vehicles.
8. Smoke, if the loss is sudden and accidental.

This does not include loss caused by smoke from agricultural smudging or industrial operations.

9. **Vandalism or Malicious Mischief.**

- X 10. **Theft, including attempted theft and loss of property from a known location when it is likely that the property has been stolen. We also cover direct loss of covered personal property by theft while it is unattended in or on a motor vehicle, trailer, or watercraft.**

This does not include:

- a. theft committed by anyone we protect;
- b. theft of property from within a dwelling under construction unless that property has become a part of the building, or of materials and supplies for use in the construction until the dwelling is completed and occupied;
- c. theft of property while at another dwelling or adjacent structures owned by, rented to, or occupied by anyone we protect unless anyone we protect is temporarily residing there. Property of a student we protect is covered while at a residence away from home.

Theft losses must be promptly reported to us and to the police.

- X X
11. **Falling Objects, but not including:**

- a. loss to property contained in a building, unless the falling object first damages the building exterior; or
- b. damage to the falling object.

12. **Weight of Ice, Snow or Sleet.**

This does not include loss to personal property outside the building.

13. **Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning system, or fire protective system, or an appliance for heating water.**

This does not cover loss caused by or resulting from freezing.

14. **Freezing by temperature reduction of a plumbing, heating, air conditioning, or fire protective system, or of a household appliance.**

This does not include loss on the residence premises while the dwelling is unoccupied unless you have used reasonable care to:

- a. maintain heat in the building, or
- b. shut off the water supply and drain the system or appliances of water.

- X X
15. **Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning, or fire protective system, household appliance, waterbed or aquarium.**

This does not include loss:

- a. to a building caused by constant or repeated seepage or leakage over a period of weeks, months or years;
- b. to the defective system or appliance (other than a waterbed or aquarium);
- c. caused by or resulting from freezing;

- d. on the residence premises caused by accidental discharge or overflow which occurs off the residence premises;

- e. caused by overflow from gutters or drain spouts.

For this peril, a plumbing system does not include a sump, sump pump or related equipment.

16. **Damage due to a sudden and accidental surge of electrical current.**

17. **Volcanic Eruption.**

This does not include loss caused by earthquake, land shock waves or tremors.

Volcanic eruptions occurring within a 72 hour period will be considered one volcanic eruption.

WHAT WE DO NOT COVER – EXCLUSIONS

(Also see specific Exclusions under Dwelling and Other Structures Coverages – Perils We Insure Against)

We do not pay for loss resulting directly or indirectly from any of the following, even if other events or happenings contributed concurrently, or in sequence, to the loss:

1. by earth movement, due to natural or manmade events, meaning earthquake including land shock waves, or tremors before, during, or after a *Volcanic Eruption*, mine subsidence, sinkhole, landslide, mudslide, mud flow, earth sinking, rising, or shifting. Direct loss by *Fire, Explosion, Sonic Boom, Theft or Breakage of Glass* resulting from earth movement, mine subsidence, sinkhole, landslide, mudslide, mud flow, earth sinking, rising or shifting is covered.
2. by water damage, meaning:
 - a. flood, surface water, waves, tides, tidal water or overflow of a body of water. We do not cover spray from any of these, whether or not driven by wind;
 - b. water or sewage which backs up through sewers or drains, or water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or
 - c. water below the surface of the ground. This includes water which exerts pressure on, or flows, seeps or leaks through any part of a building or other structure, sidewalk, driveway, foundation, or swimming pool.

We do pay for direct loss that follows, caused by *Fire, Explosion, Sonic Boom* or *Theft*.

3. by power interruption if the interruption takes place away from the residence premises. If a loss from a peril covered under *Perils We Insure Against* happens on the residence premises as a result of a power interruption, we will cover only loss caused by that peril.
4. by war, whether declared or undeclared, discharge of a nuclear weapon (even if accidental), hostile or warlike action in time of peace or war, insurrection, rebellion, revolution, civil war, usurped power,

including action taken by governmental authority in defending against such an occurrence.

5. by nuclear action or radiation or radioactive contamination, however caused. Nuclear action includes nuclear reaction, discharge, radiation or radioactive contamination, whether manmade or occurring naturally.

Loss caused by nuclear action is not considered loss by *Fire, Explosion, Sonic Boom* or *Smoke*.

If loss by *Fire* results, we will pay for that resulting loss.

6. by radon gas contamination.
7. by the enforcement of any ordinance or law regulating the construction, repair or demolition of a building or other structure, unless specifically provided under this policy. We do cover loss caused by actions of civil authorities to prevent the spread of a fire caused by a peril covered under *Perils We Insure Against*.
8. by neglect of anyone we protect to use all reasonable means to protect covered property at and after the time of loss or when property is threatened by a peril covered under *Perils We Insure Against*.
9. by intentional loss, meaning any loss arising from an act committed by or at the direction of anyone we protect with the intent to cause a loss.

ADDITIONAL LOSSES WE WILL PAY

X (1) AUTOMATIC GARAGE DOOR OPENER

We will pay up to \$500 for loss to personal property, including the garage door, at the residence premises resulting from the use or malfunction of an automatic garage door opener.

(2) COLLAPSE

We will pay for direct physical loss to insured property involving collapse of a building, or any part of a building, caused only by one or more of the following:

1. *Fire or Lightning, Windstorm or Hail, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Vandalism or Malicious Mischief, Breakage of Glass, Falling Objects, or Weight of Ice, Snow or Sleet;*
2. hidden decay, or hidden insect or vermin damage;
3. weight of people, animals, contents or equipment;
4. weight of rain which collects on a roof;
5. use of defective materials or methods in construction, remodeling, or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

We will not be liable for loss under 2., 3., 4. or 5. above to the following property unless the loss is a direct result of the collapse of a building:

- X Cloth awnings, fences, pavements, patios, swimming pools, underground pipes, flues, drains, cesspools, septic tanks, foundations, retaining walls, bulkheads, piers, wharves or docks.

Collapse does not include settling, cracking, shrinkage, bulging or expansion.

Payment does not increase the amount of insurance applying to the loss.

(3) CREDIT CARD, CHARGE PLATE, CHECK FORGERY AND COUNTERFEIT MONEY PROTECTION

We will pay up to \$2500 for the legal obligation of anyone we protect to pay because of *Theft*, forgery or unauthorized use of any credit or fund transfer card, charge plate, check or negotiable instrument issued to or registered in the name of anyone we protect. We will also pay for loss each time anyone we protect unknowingly accepts counterfeit money. X

No deductible applies to this coverage. We require evidence of loss.

We will not pay for:

1. loss arising from any business;
2. loss arising from anyone we protect.

When loss is discovered, anyone we protect must give us immediate notice. If the loss involves a credit or fund transfer card or charge plate, anyone we protect must also give immediate notice to the issuer of the card or plate. Failure to comply with the terms and conditions of the card or plate voids this protection.

If a loss occurring during the policy period is discovered within a year after the policy has been cancelled, we will pay for the loss. If a prior loss is discovered during the policy period and no other insurance applies, we will pay for the loss. We have the right to investigate and settle any claim or suit before making payment. Full payment of the amount of insurance ends our obligation under each claim or suit. X

Repeated losses caused by or involving one person are to be considered one loss.

If a claim is made or suit is brought against anyone we protect for liability under the *Credit Card* or *Charge Plate Protection*, we will provide a defense. The defense will be at our expense, with a lawyer we choose.

We have the option under the *Check Forgery Protection* to defend at our expense anyone we protect or their bank against a suit for the enforcement of payment.

(4) DEBRIS REMOVAL AFTER LOSS

We will pay the expense for removal of:

1. debris of covered property following loss under *Perils We Insure Against*;
2. ash, dust or particles from *Volcanic Eruption* that has caused direct loss to a building or property within a building; or
3. fallen trees which cause damage to covered property, provided coverage is not afforded elsewhere by this policy.

If the amount of insurance applying to the loss is exhausted, we will pay up to an additional 5% of the

amount of insurance applying to the damaged property for removal of debris.

We will also pay up to \$500 per occurrence for the removal of fallen trees on the residence premises if loss is caused by *Windstorm, Hail or Weight of Ice, Snow or Sleet* even when covered property is not damaged.

(5) EMERGENCY REMOVAL OF PROPERTY

We will pay for property damaged in any way while removed from your residence premises because of danger from an insured peril. Coverage is limited to a 30-day period from date of removal. Payment will not increase the amount of insurance applying to the loss.

(6) FIRE DEPARTMENT SERVICE CHARGES

X We will pay all reasonable fire department service charges to save or protect insured property. Payment is in addition to the amount of insurance applying to the loss.

No deductible applies to this coverage.

(7) FIRE EXTINGUISHER RECHARGE

X We will pay expenses incurred to recharge portable fire extinguishers after they are used to fight a fire.

No deductible applies to this coverage.

(8) LOCK REPLACEMENT AFTER LOSS

X At your request, we will pay up to \$250 to replace keys and locks to the exterior doors of the residence premises, as well as keys and locks to your other property (autos, boats, etc.), if the keys are stolen during a *Theft* loss. This coverage does not apply to keys and locks pertaining to business property.

No deductible applies to this coverage.

X We will pay for replacement of automatic garage door transmitters when a transmitter has been stolen. Coverage is also provided for the cost to reprogram the frequency on additional transmitters and/or the control unit box.

No deductible applies to the replacement of automatic garage door transmitters.

(9) LOSS ASSESSMENT

(Applicable to Section I and Section II - Personal Liability Coverage Only)

We will reimburse you for an assessment charged against you as owner or tenant of the residence premises by an association or corporation of property owners, minus any other valid and collectible insurance available to the association or corporation covering the same assessment. Under *Property Protection - Section I*, the assessment must result from a direct loss to property, owned by all the property owners collectively, caused by any of the *Perils We Insure Against*. Under *Section II - Personal Liability Coverage Only*, the assessment must result from an occurrence covered under this policy.

Unless otherwise shown on the Declarations, our amount of insurance for this protection is \$5000 per assessment. X

If you are assessed for a covered water loss, we will pay your share of the cost of tearing out and replacing any part of an insured location necessary to repair the system or appliance.

The policy deductible applies under *Property Protection - Section I* only.

We will not pay if the loss is caused by earthquake or land shock waves or tremors which occur before, during or after a *Volcanic Eruption*.

We also will not pay for any loss assessments charged by a governmental body.

(10) MECHANICAL SERVANT AND ROBOT PROTECTION

We will pay up to \$500 for loss to personal property at the residence premises caused by malfunction of a mechanical servant or robot. X

(11) NON-OWNED RESIDENCES

We will pay up to \$1000 for loss by *Theft* and *Vandalism or Malicious Mischief* to residences occupied by, but not owned by anyone we protect. X

(12) REFRIGERATED PRODUCTS

We will pay for loss to the contents of refrigerator or freezer units on the residence premises from either power or mechanical failure. X

Coverage will be void if the contents are on the residence premises for business purposes.

(13) TEMPERATURE CHANGE X

We will pay for loss to insured personal property resulting from change of temperature. There must first be damage done by a peril covered under *Perils We Insure Against* occurring at the residence premises. Payment will not increase the amount of insurance applying to the loss.

(14) TEMPORARY REPAIRS AFTER LOSS

We will pay for reasonable and necessary expenses for temporary repairs to protect covered property from further damage after loss by a peril covered under *Perils We Insure Against*. Payment will not increase the amount of insurance applying to the loss.

(15) TREES, SHRUBS, PLANTS AND LAWNS

We will pay up to an additional 5% of the amount of insurance under *Dwelling Coverage* for loss to trees, shrubs, plants and lawns at the residence premises.

Coverage applies only to loss caused by the following perils covered under *Perils We Insure Against: Fire or Lightning, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Smoke, Vandalism or Malicious Mischief and Theft*. X

We will not pay for:

1. more than \$500 on any one tree, shrub or plant;
2. damage to lawns by vehicles owned or operated by a resident of the residence premises;
3. trees, shrubs, plants or lawns grown for business purposes.

DEDUCTIBLE

We will pay for loss minus the deductible shown on the Declarations. Unless otherwise provided in an endorsement, in the event of total loss to the *Dwelling* from a covered peril, the deductible will not apply. X

The deductible does not apply to:

1. *Loss of Use Coverage.*
2. *Credit Card, Charge Plate, Check Forgery and Counterfeit Money Protection.*
3. *Fire Department Service Charges.*
4. *Fire Extinguisher Recharge.*
5. *Lock Replacement After Loss.*

RIGHTS AND DUTIES -- CONDITIONS

(1) ABANDONMENT OF PROPERTY

We need not accept abandoned property.

(2) APPRAISAL

If you and we fail to agree on the amount of loss, on the written demand of either, each party will choose a competent appraiser and notify the other of the appraiser's identity within 20 days after the demand is received. The appraisers will select a competent and impartial umpire. If the appraisers are unable to agree upon an umpire within 15 days after both appraisers have been identified, you or we can ask a judge of a court of record in the state where your residence premises is located to select an umpire.

The appraisers shall then set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of loss. If they cannot agree, they will submit their differences to the umpire. A written award by two will determine the amount of loss.

Each party will pay the appraiser it chooses, and equally bear expenses for the umpire and all other expenses of the appraisal. However, if the written demand for appraisal is made by us, we will pay for the reasonable cost of your appraiser and your share of the cost of the umpire.

We will not be held to have waived any rights by any act relating to the appraisal.

X (3) AUTOMATIC ADJUSTMENT OF COVERAGE AMOUNTS

This policy provides you with a guard against the effects of inflation in construction costs.

We will keep track of costs and at the next policy period we will adjust the amount of your building coverage if necessary. Adjustments in other coverages (*Other Structures Coverage* and *Personal Property Coverage*) will also be made proportionately. Your premium will be

adjusted at each policy period to reflect any change in the amount of insurance.

During the policy period, if there is an increase in construction costs and a loss occurs, we will reflect the increase in the amount of insurance before making payment. There will be no charge for this additional coverage.

However, if for any reason other than inflation or construction costs, the amount of insurance on your home becomes inadequate, or if you made substantial improvements to your home and failed to notify us to increase the amount of your insurance, the amount of insurance shown on the Declarations will be the full amount available should a loss occur.

(4) ERIE OPTION

If we give you written notice within 30 days after we receive your signed, sworn statement of loss, we may repair or replace any part of the property damaged with equivalent property.

(5) GLASS REPLACEMENT

Loss to glass caused by a peril covered under *Perils We Insure Against* will be settled on the basis of replacement with safety glazing materials when required by law.

(6) INCREASE OF HAZARD

Unless we agree beforehand, coverage is suspended if the hazard is substantially increased by any means within the control or knowledge of anyone we protect.

(7) LOSS PAYMENT

We will settle any claim for loss with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. We will pay within 30 days after we receive your proof of loss and the amount of loss is finally determined by one of the following:

- a. we have reached an agreement with you; or
- b. there is an entry of final judgment; or
- c. there is a filing of an appraisal award on your behalf.

(8) LOSS SETTLEMENT

The following types of losses will be settled on an actual cash value basis. This means that we will deduct for depreciation.

Losses to:

- property insured under *Personal Property Coverage*
- structures that are not buildings or carports
- carpeting
- household appliances
- X • cloth awnings
- outdoor antennas and outdoor equipment, whether or not attached to buildings
- insured buildings and structures which do not meet the requirements for a replacement cost settlement described below.

The actual cash value will be determined at the time of the loss. Payment will not exceed the amount necessary to repair or replace the damaged property.

Dwelling and Other Structures Coverage

Loss under *Dwelling Coverage* or *Other Structures Coverage* will be settled by one of the following methods:

- X 1. REPLACEMENT COST SETTLEMENT (meaning we will not deduct for depreciation):
 - a. provided the *Declarations* shows the *Automatic No-Depreciation Settlement* applies; or
 - b. if at the time of the loss, the amount of insurance applying to the insured building is 80% or more of the full replacement cost of the building immediately prior to the loss; or
 - X c. if the cost to repair or replace the damage to an insured building is both:
 - 1) less than \$2500; and
 - 2) less than 5% of the amount of insurance on the building.

In making a replacement cost settlement, we will pay you the cost of repair or replacement, without deduction for depreciation. Payment will not exceed the smallest of the following amounts:

- a. the amount of insurance applying to the building; or
- b. the replacement cost of that part of the building damaged for equivalent construction and use on the same premises; or
- c. the actual amount spent to repair or replace the damaged building.

In determining 80% of the full replacement cost of the building, the value of the following will not be considered:

- a. excavations,
- b. foundations below the basement floor,
- c. piers and other supports below the basement floor,
- d. if there is no basement, the value of all items below the surface of the ground inside the foundation walls.

2. LESS THAN FULL REPLACEMENT COST SETTLEMENT

If full replacement cost settlement does not apply, we will pay the larger of the following amounts, but not exceeding the amount of insurance under this policy applying to the building:

- a. the actual cash value of that part of the building damaged; or
- b. that proportion of the full cost to repair or replace the damage which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

We will pay no more than the actual cash value of the damage until the actual repair or replacement is completed. However, when the loss is both less than \$2500 and less than 5% of the amount of insurance on the building, we will pay the full replacement cost before actual repair or replacement is completed.

You may disregard the replacement cost provision and make claim for loss or damage to buildings on an actual cash value basis.

You have the right to make claim, within 180 days after the loss, for any additional amounts we will be required to pay under this *Loss Settlement* provision.

(9) LOSS TO A PAIR OR SET

If there is a loss to a pair or set we may:

- a. repair or replace any part of the pair or set to restore it to its value before the loss; or
- b. pay the difference between actual cash value of the property before and after the loss.

(10) MORTGAGE CLAUSE

Loss under *Dwelling Coverage* or *Other Structures Coverage* shall be payable to mortgagees named on the *Declarations*, to the extent of their interest and in the order of precedence.

Our Duties

We will:

- a. protect the mortgagee's interests in an insured building. This protection will not be invalidated by any act or neglect of anyone we protect, any breach of warranty, increase in hazard, change of ownership, or foreclosure if the mortgagee has no knowledge of these conditions;
- b. give mortgagee 30 days notice before cancellation X or refusal to continue this policy.

Mortgagee's Duties

The mortgagee will:

1. furnish proof of loss within 60 days if you fail to do so;
2. pay upon demand any premium due if you fail to do so;
3. notify us of any change of ownership or occupancy or any increase in hazard of which the mortgagee has knowledge;
4. give us the right of recovery against any party liable for loss. This shall not impair the mortgagee's right to recover the full amount of the mortgage debt;
5. after a loss, permit us to satisfy the mortgage requirements and receive full transfer of the mortgage and all securities held as collateral to the mortgage debt.

Policy conditions relating to *Appraisal, Loss Payment* and *Suit Against Us* apply to the mortgagee.

This condition shall apply to any trustee or loss payee named on the **Declarations**.

(11) NO BENEFIT TO BAILEE

No bailee shall benefit, directly or indirectly, from this insurance.

(12) OTHER INSURANCE

If both this insurance and other insurance apply to a loss, we will pay our share. Our share will be the proportionate amount that this insurance bears to the total amount of all applicable insurance, except insurance in the name of an association or corporation of property owners.

If there is other insurance in the name of an association or corporation of property owners covering the same property covered by this policy, the other insurance applies first.

(13) PERMISSION GRANTED TO YOU

Coverage applies even when your described dwelling is vacant or unoccupied, except where limited under *Perils We Insure Against*.

You may make alterations, additions and repairs to your building, and complete structures under construction.

You may waive your rights to recovery against another involving the insured property. This must be done in writing prior to a loss.

(14) RECOVERED PROPERTY

If we have made payment on property which has later been recovered by you or us, you or we will notify the other of the recovery. You have a right to the recovered property. If you elect to have the property, you will repay us the amount of our payment to you.

(15) SUIT AGAINST US

We may not be sued unless there is full compliance with all the terms of this policy. Suit must be brought within one year (Maryland - three years and Virginia - two years) after the loss or damage occurs.

(16) YOUR DUTIES AFTER A LOSS

In case of a covered loss, you must:

1. give us or our Agent immediate notice of the loss. If the loss is due to criminal activity or theft, you must also notify the police (except Virginia);
2. do whatever possible to recover and protect the property from further damage. If it is necessary to protect the property, you must make reasonable repairs, and keep a record of all repair costs;
3. furnish a complete inventory of damaged property including quantity, actual cash value and amount of loss claimed;
4. produce for examination, with permission to copy, all books of accounts, bills, invoices, receipts, other vouchers and other financial information as we may reasonably require;
5. show us or our representative the damaged property, as often as may be reasonably required;
6. submit to examinations under oath and sign a transcript of the same;
7. send us, within 60 days after the loss, your signed and sworn proof of loss statement which includes an explanation of the following:
 - a. time and cause of loss;
 - b. your interest in the property and the interest of all others involved;
 - c. any encumbrances on the property;
 - d. other policies which may cover the loss;
 - e. any changes in title, use, occupancy or possession of the property which occurred during the policy term;
 - f. when required by us, any plans, specifications and estimates for the repair of the damaged building;
 - g. the inventory of damaged property as prepared in 3. of this condition;
 - h. receipts for any additional living costs as a result of the loss, and records of pertinent rental loss;
 - i. in case of claim under *Credit Card, Charge Plate, Check Forgery and Counterfeit Money Protection*, an affidavit stating amount, time and cause of loss.

HOME AND FAMILY LIABILITY PROTECTION -- SECTION II

PERSONAL LIABILITY COVERAGE

OUR PROMISE

We will pay all sums up to the amount shown on the Declarations, which anyone we protect becomes legally obligated to pay as damages because of personal injury or property damage resulting from an occurrence during the policy period. We will pay for only personal injury or property damage covered by this policy.

We may investigate or settle any claim or suit for damages against anyone we protect, at our expense. If anyone we protect is sued for damages because of personal injury or property damage covered by this policy, we will provide a defense with a lawyer we choose, even if the allegations are not true. We are not obligated to pay any claim or judgment or defend any suit if we have already used up the amount of insurance by paying a judgment or settlement.

MEDICAL PAYMENTS TO OTHERS COVERAGE

OUR PROMISE

We will pay the necessary medical expenses incurred or medically determined within three years from the date of an accident causing personal injury. This three-year limitation does not apply to funeral expenses.

This coverage does not apply to you or regular residents of your household, other than residence employees.

To others, we will pay only in the following situations:

1. To a person on an insured location with the permission of anyone we protect; or
2. To a person off an insured location if the personal injury:
 - a. arises out of a condition on an insured location or adjoining ways;
 - b. is caused by the activities of anyone we protect;
 - c. is caused by a residence employee in the course of employment by anyone we protect;
 - d. is caused by an animal anyone we protect owns or is caring for.

Payment under this coverage is not an admission of liability by us or anyone we protect.

WHAT WE DO NOT COVER -- EXCLUSIONS

PERSONAL LIABILITY COVERAGE

MEDICAL PAYMENTS TO OTHERS COVERAGE

We do not cover under *Personal Liability Coverage* and *Medical Payments To Others Coverage*:

1. Personal injury or property damage expected or intended by anyone we protect.
2. Personal injury or property damage arising out of business pursuits of anyone we protect.

We do cover:

- a. activities normally considered non-business;
- b. business pursuits of salespersons, collectors, messengers and clerical office workers employed by others. We do not cover installation, demonstration and servicing operations; X
- c. business pursuits of educators while employed by others as educators, including corporal punishment of pupils; X
- d. incidental business activities of anyone we protect. These include, but are not limited to, baby-sitting, caddying, lawn care, newspaper delivery and other similar activities. X

We do not cover regular business activities or business activities for which a person is required to be licensed by the state.

- e. the ownership of newly-acquired one or two family dwellings, but only for a period of 30 consecutive days after acquisition unless described on the Declarations. X
3. Personal injury or property damage arising out of the rental or holding for rental of the residence premises by anyone we protect.

We do cover if the residence premises is:

- a. occasionally rented or held for rental to others as a residence;
 - b. rented or held for rental in part as a residence, unless for the accommodation of more than three roomers or boarders;
 - c. rented or held for rental in part as an office, school, studio or private garage.
4. Personal injury or property damage arising out of the rendering or failing to render professional services.
 5. Personal injury or property damage arising out of any premises owned by or rented to anyone we protect which is not an insured location. This exclusion does not apply to personal injury to a residence employee arising out of and in the course of employment by anyone we protect.

6. **Personal injury or property damage** arising out of the ownership, maintenance or use of:

- a. aircraft;
- b. any land motor vehicle owned or operated by or rented or loaned to **anyone we protect**.

We do cover motor vehicles if:

- 1) they are used exclusively at an **insured location** and not subject to motor vehicle registration;
- 2) they are kept in dead storage at an **insured location**;
- 3) they are a recreational land motor vehicle not designed for use on public roads while at an **insured location**;

X 4) they are a golf cart, wherever used or located;

X 5) they are a lawn or farm type vehicle or snowblower, wherever used or located, if not subject to motor vehicle registration.

6) they are designed to assist the handicapped.

c. watercraft:

X 1) owned by or frequently rented to **anyone we protect** if it has inboard or inboard-outdrive motor power of more than 75 horsepower;

X 2) owned by or frequently rented to **anyone we protect** if it is a sailing vessel 26 feet or more in length; or

X 3) powered by one or more outboard motors with more than 75 total horsepower owned by **anyone we protect** at the beginning of the policy period.

However, if **anyone we protect** acquires watercraft, regardless of horsepower, coverage applies during the policy period. If the watercraft is acquired within 60 days of the end of the policy period, we will provide coverage for a maximum of 60 days. We have the right to charge you an additional premium.

Exclusion 6.c. does not apply while the watercraft is stored on shore.

Exclusion 6. does not apply to **personal injury** to any **residence employee** arising out of and in the course of employment by **anyone we protect**.

We do not cover liability arising out of the negligent entrustment of an aircraft, motor vehicle or watercraft excluded in 6.

We also do not cover statutorily imposed vicarious parental liability for the actions of a child or minor using an aircraft, motor vehicle or watercraft excluded in 6.

7. **Personal injury or property damage** arising out of war (declared or undeclared), civil war, insurrection, rebellion or revolution.

Discharge of a nuclear weapon is considered a warlike act, even if accidental.

8. **Personal injury or property damage** which arises out of or results from a communicable disease or condition transmitted by **anyone we protect** to any other person through a parasite, virus, bacteria or any other organism.

9. Except as provided in paragraph 2.c. under "*What We Do Not Cover -- Personal Liability and Medical Payments To Others Coverage*," **personal injury or property damage** which arises out of the sexual molestation, corporal punishment or physical or mental abuse by **anyone we protect**.

10. **Personal injury or property damage** which arises out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

11. **Personal injury or property damage** which arises out of the discharge, disposal, release or escape of:

a. vapors, fumes, acids, toxic chemicals, toxic liquids or toxic gasses;

b. waste materials or other irritants, contaminants or pollutants.

We do not cover under *Personal Liability Coverage*:

1. Liability assumed under any oral contract or agreement, or by contract or agreement in connection with any **business of anyone we protect**.

2. Liability for your share of any loss assessment charged against all members of an association or corporation of property owners. This exclusion does not apply to *Additional Losses We Will Pay, (9) Loss Assessment, Section I* of this policy.

3. **Property damage** to property owned by **anyone we protect**.

4. **Property damage** to property rented to, occupied or used by, or in the care of **anyone we protect**. This exclusion does not apply to **property damage** caused by *Fire, Explosion, Sonic Boom* or *Smoke*, or by accidental discharge of water from a waterbed or aquarium. X

5. **Personal injury** to any person eligible to receive any benefits required to be provided or voluntarily provided by **anyone we protect** under any workers compensation or occupational disease law.

6. **Personal injury or property damage** for which **anyone we protect** is covered under any nuclear energy liability policy, or would be covered if its amounts of insurance had not been exhausted.

7. **Personal injury** arising out of business pursuits of **anyone we protect**, other than business pursuits covered by the policy;

8. **Personal injury** to employees of **anyone we protect** arising out of employment.

This exclusion does not apply to **bodily injury** to a **residence employee** arising out of and in the course of employment by **anyone we protect**;

9. Under parts 2. and 3. of the definition of **personal injury**, injury caused by willful violation of a law or ordinance;

10. Under parts 2. and 3. of the definition of **personal injury**, injury arising out of civic or public activities performed for pay;

11. Suits for libel, slander or defamation of character made against anyone we protect if the publication or statement:

- a. took place before the effective date of this insurance, or
- b. was knowingly untrue.

12. Personal injury to you and if residents of your household, your relatives, and persons under the age of 21 in your care or in the care of your resident relatives.

Under *Medical Payments To Others Coverage* we do not cover:

1. Personal injury to a residence employee if it occurs off an insured location and does not arise out of or in the course of employment by anyone we protect.
2. Personal injury to any person eligible to receive any benefits required to be provided or voluntarily provided under any workers compensation or occupational disease law.
3. Personal injury from any nuclear reaction, radiation or radioactive contamination, or any consequence of any of these.
4. Personal injury to anyone we protect or other person(s) who resides on the residence premises, except a residence employee.

WHAT WE ALSO PAY

Payment for the following is in addition to the amounts of insurance shown on the Declarations.

(1) CLAIM EXPENSES

We pay:

1. court costs, to defend or settle as we believe proper, any claim or suit against anyone we protect, for damages covered under this policy. Our payment of the limit of protection for a settlement, judgment, or deposit in court ends our duty to pay under this item.
2. expenses incurred, to investigate and defend or settle as we believe proper, any claim or suit against anyone we protect for damages covered under this policy. Our payment of the limit of protection for a settlement, judgment, or deposit in court ends our duty to pay under this item.
3. post-judgment interest, but only that portion of the post-judgment interest which accrues on that part of any judgment that does not exceed the limit of protection on a suit we defend. Our payment, offer in writing, or deposit in court of that part of the judgment which does not exceed the limit of protection ends our duty to pay any post-judgment interest which accrues after the date of our payment, written offer or deposit.
4. prejudgment interest or delay damages awarded on that part of any judgment that does not exceed the

limit of protection. If we offer in writing to pay the applicable limit of protection, we will not pay any prejudgment interest or delay damages for the period of time after the offer.

5. reasonable expenses anyone we protect may incur at our request to help us investigate or defend a claim or suit. This includes up to \$100 a day for actual loss of earnings (but not loss of other income) and vacation time or other benefit loss. X

6. premiums on the following types of bonds, but not for bond amounts greater than the limit of protection:

- a. appeal bond in a suit we defend;
- b. bail bond (with premium of \$500 or less) required due to an accident or related traffic violation involving a vehicle we insure; X
- c. attachment bond to release property of anyone we protect due to an accident or related traffic violation involving a vehicle covered by this policy.

We have no duty to apply for or furnish such bonds.

7. reasonable lawyers' fees up to \$50 which anyone we protect incurs because of arrest, resulting from an accident involving a vehicle covered by this policy. X

(2) DAMAGE TO PROPERTY OF OTHERS

We pay, on a replacement cost basis, up to \$1000 per occurrence for property damage to property of others caused by anyone we protect. This coverage also applies to property of others in the possession of anyone we protect. X

We will not pay for property damage:

1. to the extent of any amount recoverable under Section I of this policy;
2. caused intentionally by anyone we protect who has attained the age of 13;
3. to property owned by anyone we protect;
4. to property owned by or rented to a tenant of anyone we protect or a resident of your household;
5. arising out of:
 - a. an act or omission in connection with a premises (other than an insured location) owned, rented or controlled by anyone we protect;
 - b. business pursuits; or
 - c. ownership, maintenance or use of a motor vehicle, aircraft or watercraft. We will pay for property damage to a land motor vehicle designed for recreational use off public roads while in the possession of or caused by anyone we protect if:
 - 1) not subject to motor vehicle registration, and
 - 2) not owned by anyone we protect.

(3) FIRST AID EXPENSES

X We pay reasonable expenses for first aid to other persons and animals at the time of an accident involving anyone we protect.

(4) LOSS ASSESSMENT -- PERSONAL LIABILITY COVERAGE

See *Loss Assessment*, paragraph (9), *Section I, Additional Losses We Will Pay*.

RIGHTS AND DUTIES -- CONDITIONS

(1) BANKRUPTCY OF ANYONE WE PROTECT

Bankruptcy or insolvency of anyone we protect or anyone we protect's estate will not relieve us of our obligations.

(2) DUTIES OF AN INJURED PERSON -- MEDICAL PAYMENTS TO OTHERS COVERAGE

The injured person or someone acting on behalf of that person will:

1. give us written proof of claim, as soon as possible, under oath if required;
2. sign papers at our request to allow us to obtain medical reports and copies of records.

The injured person will submit to mental and physical examination by doctors selected by us as often as reasonably required. We may pay the injured person or the provider of the services.

(3) LIMITS OF PROTECTION

This insurance applies separately to anyone we protect. Regardless of the number of people we protect, claims made or persons injured, our total liability under *Personal Liability Coverage* for damages resulting from one occurrence will not exceed the amount shown on the *Declarations*. All personal injury and property damage resulting from one accident or from continuous or repeated exposure to the same general conditions is considered the result of one occurrence.

Our total liability under *Medical Payments To Others Coverage* for all medical expense payable for personal injury to any one person will not exceed the "Each Person" amount shown on the *Declarations*.

(4) OTHER INSURANCE -- PERSONAL LIABILITY COVERAGE

This insurance is excess over any other valid and collectible insurance. However, if the other insurance is specifically written as excess insurance over this policy, the limits of this policy apply first.

If at the time of loss there is other insurance in the name of an association or corporation of property owners covering the same property covered by this policy, the insurance afforded by this policy shall be excess over the amount recoverable under such other insurance.

(5) SUIT AGAINST US

The terms of this policy must be complied with before suit may be brought against us.

The legal liability of anyone we protect must be determined before suit under *Personal Liability Coverage* may be brought against us. This determination may be by a court of law or by written agreement of all parties, including us.

No one has the right to make us a party to a suit to determine the liability of anyone we protect.

(6) YOUR DUTIES AFTER A LOSS

When there is an accident or occurrence anyone we protect will:

1. notify us or our Agent, in writing, as soon as possible, stating:
 - a. your name and policy number;
 - b. the time, place, and circumstances of the accident or occurrence;
 - c. names and addresses of injured persons and witnesses;
2. send us promptly any papers that relate to the accident or occurrence;
3. at our request;
 - a. assist in making settlement;
 - b. help us enforce any right of recovery against any party liable to anyone we protect;
 - c. assist in the conduct of suits;
 - d. attend hearings and trials;
 - e. secure and give evidence and obtain the attendance of witnesses.
4. under the coverage *Damage To Property Of Others*, send us, within 60 days of the loss, sworn proof of loss. Anyone we protect shall also exhibit the damaged property if within their control.

Anyone we protect will not, except at one's own cost, make payments, assume obligations or incur expenses, other than for first aid to other persons and animals at the time of the personal injury.

RIGHTS AND DUTIES -- GENERAL POLICY CONDITIONS -- SECTION III

We, you and anyone else protected by this policy must do certain things in order for the terms of this policy to apply.

(1) ACCOUNTING

(Erie Insurance Exchange Only)

X Erie Indemnity Company may keep up to 25% of the premium written or assumed by *Erie Insurance Exchange* as compensation for:

- a. becoming and acting as Attorney-in-Fact;
- b. managing the business and affairs of *Erie Insurance Exchange*; and
- c. paying general administrative expenses, including sales commissions, salaries and other employment costs, the cost of supplies and other administrative costs.

The rest of the premium will be placed on the books of the *Erie Insurance Exchange*. We will deposit or invest this amount as permitted by law. This amount will be used to pay losses, adjustment expenses, legal expenses, court costs, taxes, assessments, licenses, fees, and other governmental fines and charges, establishment of reserves and surplus, and reinsurance, and may be used for dividends and other purposes Erie Indemnity Company decides are to the advantage of the Subscribers.

(2) ASSIGNMENT

Interest in this policy may be transferred only with our written consent.

(3) CANCELLATION

Your Right to Cancel

You may cancel this policy by mailing or delivering to our Agent or us written notice stating at what future date you want the cancellation to take effect. We may waive these requirements by confirming the date of cancellation to you in writing.

Our Right to Cancel or Refuse to Continue

We may cancel or refuse to continue this policy or any coverage by mailing you written notice stating the effective date of our action. Our action will comply with the laws of the state where your residence premises is located. Our cancellation or refusal to continue this policy will not take effect until at least 30 days (Maryland - 45 days), except for non-payment of premium after we send it.

We reserve the right to cancel for your non-compliance with our premium payment plans. We do not waive our right to cancel, even if we have accepted prior late payments.

Method of Giving Notice

Mailing notice to the address shown on the Declarations will be sufficient proof of notice. The policy period will end on the date and time stated in the notice.

Return of Premium

If your policy is cancelled by you or us, we will return the pro rata unused share of your premium. Cancellation will be effective even if we have not given or offered the returned premium.

(4) CONCEALMENT, FRAUD OR MISREPRESENTATION

This entire policy is void as to you and anyone we protect if, whether before or after a loss:

- a. you or anyone we protect have intentionally concealed or misrepresented any material fact or circumstance concerning this insurance; or
- b. there has been fraud or false swearing by you or anyone we protect as to any matter that relates to this insurance or the subject thereof.

In the event of a. or b. above, we will not pay for any loss.

(5) COVERAGE AFTER DEATH

If you die, the policy will cover:

1. anyone we protect who is a member of your household at the time of your death, but only while a resident of the residence premises;
2. anyone having lawful possession of insured property until a representative is appointed, but only until the end of the policy period during which your death occurs;
3. your legal representative, but only while performing duties as your representative and only until the end of the policy period during which your death occurs.

(6) HOW YOUR POLICY MAY BE CHANGED

This policy conforms to the laws of the state in which your residence premises is located. If the laws of the state change, this policy will comply with those changes.

Your policy may change by asking us. Your request must contain enough information to identify you. Asking our Agent is the same as asking us. If we agree with your request, we will then issue an Amended Declarations.

We will give you the benefit of any change in coverage made by us, if it does not require additional premium. This change will be effective as of the date we implement the change for you in your state.

If the information we use to determine the premium for your coverage(s) changes during the policy period, we

may adjust your premium. Premium adjustments will be made using rules and rates in effect for our use.

(7) OUR RIGHT TO RECOVER FROM OTHERS

After we make a payment under this policy, we will have the right to recover from anyone else held responsible for the loss. This right will not apply under *Section I* if you have waived it in writing prior to the loss.

Anyone to whom we have paid will sign papers and do whatever is required to transfer this right to us, and do nothing to harm this right.

Anyone receiving payment from us and someone else for the same loss will reimburse us up to our payment.

This condition does not apply under *Section II* to *Medical Payments To Others Coverage* or *Damage To Property Of Others*.

(8) POLICY ACCEPTANCE AND COOPERATION

By accepting this policy, you agree the policy contains all agreements relating to this insurance.

You also agree to cooperate with us in such things as:

1. completing and returning questionnaires and audit forms about this insurance;
2. permitting and helping with inspections and audits; and
3. complying with specific recommendations to improve your risk.

(9) POLICY PERIOD

This policy applies only to loss which occurs during the policy period. The policy period is shown on the *Declarations* or *Amended Declarations*.

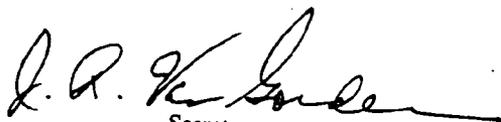
(10) PRIORITY

At our option, this insurance will first protect you, your spouse residing in your household and then others we protect. X

(11) TIME OF INCEPTION

If this policy replaces coverage in other policies which end on the inception date of this policy, but at a different time, then this policy will take effect when the other coverage ends.

This policy has been signed on our behalf at Erie, Pennsylvania by our President and Secretary. If required by law, it has been countersigned on the *Declarations* by our duly authorized Agent.


Secretary


President



ERIE INSURANCE GROUP

Home Office • 100 Erie Insurance Place • Erie, PA 16530 • (814) 870-2000

2003 Extracover (Ed. 1/97) UF-8186

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
Plaintiff

Vs.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
Defendants

No. 1595 of 1994 C.D.

Type of Case: CIVIL

Type of Pleading:
PRE-TRIAL STATEMENT

Filed on behalf of:
PLAINTIFF

Counsel of Record:
John H. Foradora, Esquire
PONTZER & FORADORA
9 South Mill Street
Ridgway, PA 15853
(814)773-3108
Atty. I.D. No. 63413

FILED

12 1999

William A. Shaw
Prothonotary

**IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION**

VIC DeSANTIS, t/d/b/a	:	No. 1595 of 1994 C.D.
WOOD WORKING AND CONSTRUCTION,	:	
Plaintiff	:	Type of Case: CIVIL
	:	
Vs.	:	Type of Pleading:
	:	PRE-TRIAL STATEMENT
	:	
LEROY J. LITTLE and CAROL LITTLE,	:	
his wife,	:	
Defendants	:	

PRE-TRIAL STATEMENT

Statement of the Case

Plaintiff was hired by the Defendants to do construction work on Defendants' residence. By Agreement, Plaintiff was to do certain work for contract price of \$33,723.00. When the job was approximately two-thirds complete and the Defendants had paid \$22,760.00, the Defendants terminated the Plaintiff's employment.

At the time this employment was terminated, the Plaintiff continued to be ready, willing and able to complete work in this project. At the time he was terminated, Plaintiff was owed an additional \$11,000.00 for completion of the entire project, but had only completed additional work which totaled \$1,977.79.

This amount has been submitted to the Defendants by the Plaintiff with demand for the payment. Payment has not yet been made.

The Plaintiff has filed suit for these extra items and fixtures which he paid out of his

own pocket, and which were included in construction of the house.

Citation to Applicable Case or Statute

No particular cases or statutes are cited for this case. Plaintiff is proceeding on a direct contract case and also a case of quantum meruit or unjust enrichment.

List of Witnesses

Plaintiff, Vic DeSantis, Main Street, Brockway, Pennsylvania 15824.

Plaintiff, Paul Huffman, employee of Victor DeSantis, 7th Avenue, Brockway, Pennsylvania, 15824.

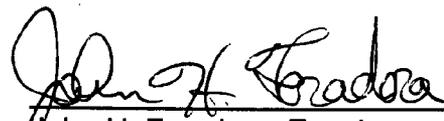
Statement of Damages

The total damages requested are \$1,977.79. Plaintiff would be entering the original contract and the typed-up itemized statement of damages, which are attached as Exhibit "A" and "B".

Respectfully Submitted:

PONTZER & FORADORA

By:



John H. Foradora, Esquire
Attorney for Plaintiff

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
Plaintiff

Vs.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
Defendants

No. 1595 of 1994 C.D.

Type of Case: CIVIL

Type of Pleading:
CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing Pre-Trial Statement upon the persons and in the manner indicated below, which service satisfied the requirements of the Pennsylvania Rules of Civil Procedure:

Service by First Class Mail, Postage Prepaid,
Addressed as Follows:

CHRIS A. PENTZ, ESQ.
211 1/2 EAST MARKET STREET
P.O. BOX 552
CLEARFIELD, PA 16830-0552

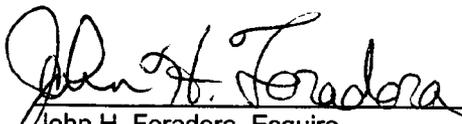
GARY A. KNARESBORO, ESQ.
SOBLE, COLLINS & KNARESBORO
218 SOUTH 2ND STREET
CLEARFIELD, PA 16830

THERON G. NOBLE, ESQ.
FERRARACCIO & NOBLE
301 E. PINE STREET
CLEARFIELD, PA 16830

MICHAEL P. YEAGER, ESQ.
110 N. 2ND STREET
P.O. BOX 752
CLEARFIELD, PA 16830

PONTZER & FORADORA

By:


John H. Foradora, Esquire
Attorney for Plaintiff

Dated: July 7, 1999

VIC DeSANTIS t/d/b/a	:	
WOOD WORKING AND CONSTRUCTION	:	
Plaintiff	:	
	:	
vs.	:	No.
	:	
LEROY J. LITTLE and	:	
CAROL LITTLE	:	
Defendants	:	

EXHIBIT "A" TO CIVIL COMPLAINT

Plaintiff seeks damages against the Defendants for labor and materials on work done on the premises of the Defendants, over and above the amount contained in the contract and paid by the Defendants to the Plaintiff, which amounts are as follows:

1. Sheeting of old house, including the cost of material and labor.	\$525.60
2. Changing location of window in garage, including labor and materials.	\$85.19
3. Changing of access to attic, including labor and materials.	\$56.00
4. Difference in material price for purchase of 40 year roof shingles, in place of 25 year roof shingles called for in contract, being difference of cost only (no labor).	\$910.00
5. Changing of garage opening, as contract calls for two (2) nine (9) foot openings, and Defendants changed specifications after original openings were cut in, resulting in Plaintiff needing to rebuild the opening to ten (10) foot openings for two (2) garage doors, requiring additional labor and framing in ten (10) foot section.	\$239.40
6. Framing in of bathroom windows in upstairs and downstairs above garage, including labor and materials not included in contract.	\$112.20
7. Construction of opening for exit door upstairs, including labor and materials.	<u>\$49.40</u>
TOTAL:	\$1,977.79

VIC DESANTIS

"WOOD WORKING AND CONSTRUCTION"

Guarenteed Quality Because We Care

1600 Main Street
Brockway, PA 15824
(814) 265-5672

NAME M/M Roy Little

DATE 4/9/94

ADDRESS _____

(Terms: 1/3 down, 1/3 due when job is half finished, and the balance due when job is completed)

ESTIMATE: \$ 33,723

THE ABOVE ESTIMATE INCLUDES WORK COMPLETED ON THE FOLLOWING:

- | |
|---|
| ① Building a two-car, two story garage |
| ② Closing in the breezeway and back step area |
| ③ Using 2x6 in the exterior studding covered with 1/2" plywood sheathing |
| ④ Using 2x10 floor joice covered with 3/4" tongue & groove plywood |
| ⑤ Trusses are to be 2x6 over 2x6 installed 16" on center, covered with 5/8 plywood |
| ⑥ Also included in this bid 2 - 9' garage doors, 10 Andersen, high performance (multi window) approximate size 5' x 3', 3 steel exterior doors, 25 year fiber-glass roof shingles installed on garage and existing house roof |
- Vic DeSantis

EXHIBIT "B"

Vic DeSantis

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
Plaintiff

Vs.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
Defendants

: No. 1595 of 1994 C.D.

: Type of Case: CIVIL

: Type of Pleading:
: PRE-TRIAL STATEMENT

: Filed on behalf of:
: PLAINTIFF

: Counsel of Record:
: John H. Foradora, Esquire
: PONTZER & FORADORA
: 9 South Mill Street
: Ridgway, PA 15853
: (814)773-3108
: Atty. I.D. No. 63413

own pocket, and which were included in construction of the house.

Citation to Applicable Case or Statute

No particular cases or statutes are cited for this case. Plaintiff is proceeding on a direct contract case, and also a case of quantum meruit or unjust enrichment.

List of Witnesses

Plaintiff, Vic DeSantis, Main Street, Brockway, Pennsylvania 15824.

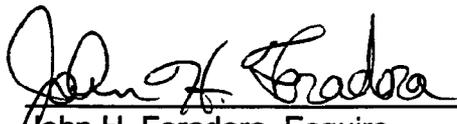
Plaintiff, Paul Huffman, employee of Victor DeSantis, 7th Avenue, Brockway, Pennsylvania, 15824.

Statement of Damages

The total damages requested are \$1,977.79. Plaintiff would be entering the original contract and the typed-up itemized statement of damages, which are attached as Exhibit "A" and "B".

Respectfully Submitted:

PONTZER & FORADORA

By: 
John H. Foradora, Esquire
Attorney for Plaintiff

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
Plaintiff

Vs.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
Defendants

No. 1595 of 1994 C.D.

Type of Case: CIVIL

Type of Pleading:
CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing Pre-Trial Statement upon the persons and in the manner indicated below, which service satisfied the requirements of the Pennsylvania Rules of Civil Procedure:

Service by First Class Mail, Postage Prepaid,
Addressed as Follows:

CHRIS A. PENTZ, ESQ.
211 1/2 EAST MARKET STREET
P.O. BOX 552
CLEARFIELD, PA 16830-0552

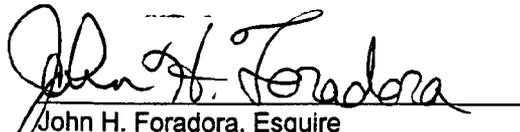
GARY A. KNARESBORO, ESQ.
SOBLE, COLLINS & KNARESBORO
218 SOUTH 2ND STREET
CLEARFIELD, PA 16830

THERON G. NOBLE, ESQ.
FERRARACCIO & NOBLE
301 E. PINE STREET
CLEARFIELD, PA 16830

MICHAEL P. YEAGER, ESQ.
110 N. 2ND STREET
P.O. BOX 752
CLEARFIELD, PA 16830

PONTZER & FORADORA

By:


John H. Foradora, Esquire
Attorney for Plaintiff

Dated: July 7, 1999

VIC DeSANTIS t/d/b/a	:	
WOOD WORKING AND CONSTRUCTION	:	
Plaintiff	:	
	:	
vs.	:	No.
	:	
LEROY J. LITTLE and	:	
CAROL LITTLE	:	
Defendants	:	

EXHIBIT "A" TO CIVIL COMPLAINT

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TOTAL:	\$1,977.79

VIC DESANTIS

"WOOD WORKING AND CONSTRUCTION"

Guarenteed Quality Because We Care

1600 Main Street
Brockway, PA 15824
(814) 265-5672

NAME M/M Roy Little

DATE 4/9/94

ADDRESS _____

(Terms: 1/3 down, 1/3 due when job is half finished, and the balance due when job is completed)

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- ⑥ Also included in this bid 2 - 9' garage doors, 10 Andersen, high performance (multi-paned) windows, approximate size 5' x 3', 3 steel exterior doors, 25 year fiber-glass roof shingles installed on garage and existing house roof.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
Plaintiff

vs

No. 1595 OF 1994-CD

LEROY J. LITTLE and
CAROL LITTLE, his wife,
Defendants

Type of Case: Civil

Type of Pleading: Defendants' PreTrial Statement

Filed on Behalf of: Plaintiff

Counsel of Record for This Party: Chris A. Pentz, Esquire
211 1/2 East Locust Street
P. O. Box 552
Clearfield, PA 16830
814 765-4000
Supreme Court # 39232

FILED

JUL 12 1999

William A. Shaw
Prothonotary

~~**FILED**~~

~~**JUL 12 1999**~~

~~William A. Shaw
Prothonotary~~

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
Plaintiff

vs

No. 1595 OF 1994-CD

LEROY J. LITTLE and
CAROL LITTLE, his wife,
Defendants

DEFENDANTS' PRE-TRIAL STATEMENT

I. BRIEF STATEMENT OF THE FACTS.

The Plaintiff and Defendants entered into a contract for repairs and additions to the Defendants' residence located at R. D. # 1 Box 253, Clearfield Pennsylvania. The work consisted generally of the addition of a two story, two-car garage. The addition was to be connected to the existing structure. The Plaintiff was also to perform work on the exterior of the existing residence to match the style of the addition. The total contract price was \$33,723.00.

The Plaintiff commenced construction in April, 1994. Construction continued on an off and on basis until June, 1994. At that time, the Plaintiff unilaterally ended construction and removed his tools from the construction site. At the time Plaintiff left the construction site, Defendants had paid

(m) Failure to remove bedroom window from existing structure and stud in hole.

(n) Failure to extend floor and frame in bedroom of existing structure to addition.

(o) Failure to extend breezeway from kitchen of existing structure to addition with a door opening.

(p) Failure to wall in breezeway to create entrance with door opening.

(q) Failure to frame in bathroom door in second story of addition.

(r) Failure to frame in downstairs bathroom and entryway in new addition.

(s) Roof was not applied in a workmanlike manner resulting in damage to ceiling and walls.

(t) Failure to frame addition in a workmanlike manner resulting in the addition not being square and causing additional expense in siding of the addition.

(u) Failure to apply wood sheathing to addition in a workmanlike manner by leaving an eight inch gap between the top and bottom pieces of sheathing.

(v) Failure to sheath the East wall of the addition.

(w) Failure to install adequate main construction for the second story of the addition.

The Defendants believe that the Plaintiff has been more than compensated for the work performed.

II. CITATION TO APPLICABLE CASES OR STATUTES.

General Contract Law applies.

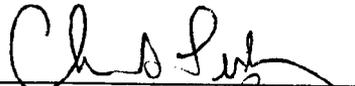
III WITNESSES.

1. Leroy J. Little - Defendant
2. Carol Little - Defendant
3. George Elensky - Clearfield PA
4. John R. Flanagan - R. D. # 1 Clearfield PA

IV STATEMENT OF DAMAGES.

N/A

Respectfully submitted,



Chris A. Pentz
Attorney for Defendants

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DESANTIS,
Plaintiff

vs

LEROY J. LITTLE, et al,
Defendant

*

*

*

*

94 - 1595 - CD

ACCEPTANCE OF SERVICE

I accept service of the Notice of Appeal on behalf of Vic Desantis
and certify that I am authorized to do so.

Date: Dec 22, 1994

Robert De Santis

Authorized Agent

atty for Vic De Santis

690 Main St

Berndorf Pa 15824

(Mailing Address)

FILED

DEC 29 1994

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
PLAINTIFF

VS.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
DEFENDANTS

: NO. 1595 OF 1994 C.D.
:
: TYPE OF CASE: CIVIL
:
: TYPE OF PLEADING:
: ENTRY OF APPEARANCE
:
: FILED ON BEHALF OF PLAINTIFF
:
: COUNSEL OF RECORD:
: JOHN H. FORADORA, ESQ.
: PONTZER & FORADORA
: 9 SOUTH MILL STREET
: RIDGWAY, PA 15834
: (814) 773-3108
: I.D. NO. 63413

ENTRY OF APPEARANCE

TO THE PROTHONOTARY:

Kindly enter my appearance on the above captioned matter.


JOHN H. FORADORA, ESQ.

FILED

MAY 01 1997

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
PLAINTIFF

VS.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
DEFENDANTS

: NO. 1595 OF 1994 C.D.
:
: TYPE OF CASE: CIVIL
:
: TYPE OF PLEADING:
: NOTICE OF PRAECIPE TO ENTER
: DEFAULT JUDGMENT
: FILED ON BEHALF OF PLAINTIFF
: COUNSEL OF RECORD:
: JOHN H. FORADORA, ESQ.
: PONTZER & FORADORA
: 9 SOUTH MILL STREET
: RIDGWAY, PA 15834
: (814) 773-3108
: I.D. NO. 63413

NOTICE OF PRAECIPE TO ENTER DEFAULT JUDGMENT

TO: LEROY J. LITTLE & CAROL LITTLE
C/O CHRIS A. PENTZ, ESQ.
211 1/2 EAST LOCUST STREET
P.O. BOX 552
CLEARFIELD, PA 16830-0552

DATE OF NOTICE: APRIL 29, 1997

IMPORTANT NOTICE

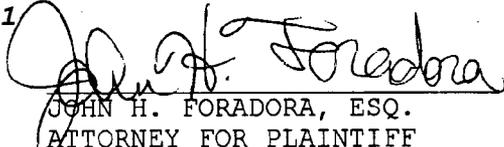
YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS. YOU SHOULD TAKE THIS NOTICE TO A LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE FOLLOWING OFFICE TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

WILLIAM SHAW, PROTHONOTARY
CLEARFIELD COUNTY COURTHOUSE
P.O. BOX 549
CLEARFIELD, PA 16830
(814) 765-2641

FILED

MAY 01 1997

William A. Shaw
Prothonotary


JOHN H. FORADORA, ESQ.
ATTORNEY FOR PLAINTIFF

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
PLAINTIFF

VS.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
DEFENDANTS

: NO. 1595 OF 1994 C.D.
:
: TYPE OF PLEADING:
: ENTRY OF APPEARANCE AND
: WITHDRAW OF APPEARANCE
:
: FILED ON BEHALF OF PLAINTIFF
: COUNSEL OF RECORD:
: JOHN H. FORADORA, ESQ.
: PONTZER & FORADORA
: 9 SOUTH MILL STREET
: RIDGWAY, PA 15853
: (814) 773-3108
: I.D. NO. 63413

ENTRY OF APPEARANCE

TO THE PROTHONOTARY:

Kindly enter my appearance on behalf of the Plaintiff in the above captioned case, term and number.

RESPECTFULLY SUBMITTED:

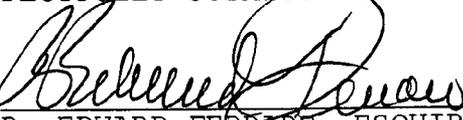
BY: 
JOHN H. FORADORA, ESQUIRE

WITHDRAWAL OF APPEARANCE

TO THE PROTHONOTARY:

Kindly withdraw my appearance on behalf of the Plaintiff in the above captioned case, term and number.

RESPECTFULLY SUBMITTED:

BY: 
R. EDWARD FERRARO, ESQUIRE

FILED

AUG 14 1997

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a	:	No. 1595 of 1994 C.D.
WOOD WORKING AND CONSTRUCTION,	:	
Plaintiff	:	PRAECIPE
	:	
Vs.	:	
	:	
LEROY J. LITTLE and CAROL LITTLE,	:	
his wife,	:	
Defendants	:	

PRAECIPE

TO THE PROTHONOTARY:

Kindly list the above captioned case for Arbitration. We estimate the Arbitration to take four (4) hours.

Respectfully Submitted:

PONTZER & FORADORA

By: John H. Foradora
 John H. Foradora, Esquire
 9 South Mill Street
 Ridgway, PA 15853
 (814)773-3108
 Atty. I.D. No. 63413

cc:
 Chris A. Pentz, Esquire
 211 1/2 East Locust Street
 Marino Building
 P.O. 552
 Clearfield, PA 16830-0552

FILED

APR 29 1999

William A. Shaw
Prothonotary



OFFICE OF COURT ADMINISTRATOR
FORTY-SIXTH JUDICIAL DISTRICT OF PENNSYLVANIA

CLEARFIELD COUNTY COURTHOUSE
230 EAST MARKET STREET
CLEARFIELD, PENNSYLVANIA 16830

DAVID S. MEHOLICK
COURT ADMINISTRATOR

PHONE: (814) 765-2641
FAX: 1-814-765-6089

MARCY KELLEY
DEPUTY COURT ADMINISTRATOR

May 17, 1999

John H. Foradora, Esquire
Pontzer & Foradora
9 South Mill Street
Ridgway, PA 15853

Chris A. Pentz, Esquire
Attorney at Law
Post Office Box 552
Clearfield, PA 16830

RE: VIC DESANTIS, al
vs.
LEROY J. LITTLE, al
No. 94-1595-CD

Dear Counsel:

The above case has been scheduled for Arbitration Hearing to be held Thursday, July 15, 1999. The following have been appointed to the Board of Arbitrators:

Michael P. Yeager, Esquire
Elizabeth Cunningham, Esquire
Gary A. Knaresboro, Esquire
Theron G. Noble, Esquire
Michael S. Marshall, Esquire

If you wish to strike an Arbitrator, you must notify the undersigned within seven (7) days from the date of this letter the name you wish stricken from the list.

You will be notified at a later date the exact time of the Arbitration Hearing.

Very truly yours,

Marcy Kelley

Marcy Kelley
Deputy Court Administrator

(ns)
11

FILED

MAY 27 1999

William A. Shaw
Prothonotary



OFFICE OF COURT ADMINISTRATOR
FORTY-SIXTH JUDICIAL DISTRICT OF PENNSYLVANIA

CLEARFIELD COUNTY COURTHOUSE
230 EAST MARKET STREET
CLEARFIELD, PENNSYLVANIA 16830

DAVID S. MEHOLICK
COURT ADMINISTRATOR

PHONE: (814) 765-2641
FAX: 1-814-765-6089

MARCY KELLEY
DEPUTY COURT ADMINISTRATOR

May 27, 1999

John H. Foradora, Esquire
Pontzer & Foradora
9 South Mill Street
Ridgway, PA 15853

Chris A. Pentz, Esquire
Attorney at Law
Post Office Box 552
Clearfield, PA 16830

RE: VIC DESANTIS, al
vs.
LEROY J. LITTLE, al
No. 94-1595-CD

FILED

MAY 27 1999

William A. Shaw
Prothonotary

Dear Counsel:

The above case has been scheduled for Arbitration Hearing to be held Thursday, July 15, 1999 at 1:00 P.M. The following have been appointed as Arbitrators:

Michael P. Yeager, Esquire, Chairman
Gary A. Knaresboro, Esquire
Theron G. Noble, Esquire

Pursuant to Local Rule 1306A, you must submit your original Pre-Trial Statement to the Prothonotary's Office for filing and copies to opposing counsel and the Board of Arbitrators seven (7) days prior to the scheduled Arbitration. For your convenience, a Pre-Trial (Arbitration) Memorandum Instruction Form is enclosed as well as a copy of said Local Rule of Court.

Very truly yours,

Marcy Kelley
Deputy Court Administrator

cc: Michael P. Yeager, Esquire
Gary A. Knaresboro, Esquire
Theron G. Noble, Esquire

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
Plaintiff

vs.

LERoy J. LITTLE and CAROL
LITTLE, his wife
Defendants

: No. 1595 of 1994 C.D.
:
:
: TYPE OF CASE: CIVIL
:
: TYPE OF PLEADING: COMPLAINT
:
:
:

CERTIFICATION OF SERVICE

I do hereby certify that a True Copy of the within Complaint was sent to CHRIS A. PENTZ, ESQUIRE, at his Law Office at 211½ East Locust Street, P.O. Box 552, Clearfield, Pennsylvania 16830, on the 13th day of January, 1995, by Regular Mail.

Dated: January 13, 1995


R. Edward Ferraro
Attorney for Plaintiff

FILED

JAN 19 1995

William A. Shaw
Prothonotary

R. EDWARD FERRARO.
ATTORNEY AT LAW

R. EDWARD FERRARO
DAVID L. YOUNG

GREGORY M. KRUK
JAMIE C. STELLO

690 MAIN STREET
BROCKWAY, PENNSYLVANIA 15824

(814) 268-2202
Fax: (814) 265-8740

January 17, 1995
Brockway, PA

306 W. MAHONING STREET
PUNXSUTAWNEY, PENNSYLVANIA 15767

(814) 938-8881
Fax: (814) 938-2953

William Shaw, Prothonotary
Clearfield County Courthouse
P.O. Box 549
Clearfield, PA 16830

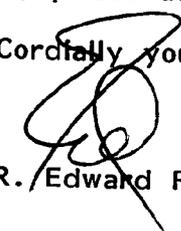
In re: DeSantis vs. Little

Dear Bill:

Enclosed herewith please find the original and a copy of the **CERTIFICATION OF SERVICE** dated January 13, 1995, showing a True Copy of the Complaint filed in the above matter was sent to Attorney Chris Pentz. Would you please have the same filed in your office and have the copy stamped "FILED" and forward the same back to our office here in Brockway in the self addressed, stamped envelope.

Should you have any questions, please advise.

Cordially yours,


R. Edward Ferraro

REF/ldr

Enclosure

VIC DESANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY

VS.

No. 94-1595-CD

LEROY J. LITTLE and CAROL LITTLE

NOTICE OF AWARD

TO: Attorney

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on JULY 15, 19 99, and have awarded:

In favor of Plaintiff and against Defendant in the amount of \$1,072.39 without interest but with costs. Additionally, the Arbitrators acknowledge the case law precedent quoted by Plaintiff's counsel to discount any testimony of defendants relative to the original contract/discussions that should have been addressed in the release described in the stipulation.

s/Michael P. Yeager, Esq., Chariman
s/Gary A. Knaresboro, Esq.
s/Theron G. Noble, Esq.

William A. Shaw
Prothonotary

by _____

July 15, 19 99.

VIC DESANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION

vs.

LEROY J. LITTLE and CAROL LITTLE

**IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY**

No. 94-1595-CD Term, 19

OATH OR AFFIRMATION OF ARBITRATORS

Now, this 15 day of July, 19 99, we the undersigned, having been appointed arbitrators in the above case do hereby swear, or affirm, that we will hear the evidence and allegations of the parties and justly and equitably try all matters in variance submitted to us, determine the matters in controversy, make an award, and transmit the same to the Prothonotary within twenty (20) days of the date of hearing of the same.

[Handwritten Signature] Chairman
[Handwritten Signature]
[Handwritten Signature]

Sworn to and subscribed before me
this 15 day of July,

19 99. *[Handwritten Signature]*
Prothonotary

AWARD OF ARBITRATORS

Now, this 15 day of July, 19 99, we, the undersigned arbitrators appointed in this case, after having been duly sworn, and having heard the evidence and allegations of the parties, do award and find as follows:

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL ACTION - LAW

**VIC DESANTIS, t/d/b/a
WOOD WORKING AND
CONSTRUCTION,**

Plaintiff,

vs.

**LEROY J. LITTLE and
CAROL LITTLE,**

Defendant.

No. 94 - 1595 - CD

Type of Pleading:
PRAECIPE FOR ENTRY OF JUDGMENT

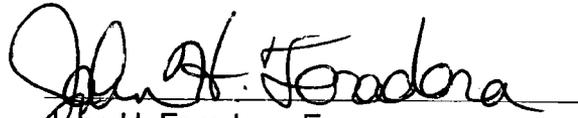
Filed on Behalf of PLAINTIFF by:
JOHN H. FORADORA, ESQ.
Supreme Court No. 63413
PONTZER & FORADORA
9 South Mill Street
Ridgway, PA 15853
(814) 773-3108

PRAECIPE FOR ENTRY OF JUDGMENT

TO THE PROTHONOTARY:

Please enter Judgment in favor of the Plaintiff and against Defendants on the attached Notice of Arbitrator's Award dated July 15, 1999.

PONTZER & FORADORA


John H. Foradora, Esq.
Attorney for Plaintiff

FILED

OCT 12 1999

William A. Shaw
Prothonotary

VIC DESANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION

VS.

LEROY J. LITTLE and CAROL LITTLE

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY

No. 94-1595-CD

NOTICE OF AWARD

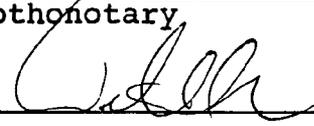
TO: Attorney

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on JULY 15, 19 99, and have awarded:

In favor of Plaintiff and against Defendant in the amount of \$1,072.39 without interest but with costs. Additionally, the Arbitrators acknowledge the case law precedent quoted by Plaintiff's counsel to discount any testimony of defendants relative to the original contract/discussions that should have been addressed in the release described in the stipulation.

s/Michael P. Yeager, Esq., Chariman
s/Gary A. Knaresboro, Esq.
s/Theron G. Noble, Esq.

William A. Shaw
Prothonotary

by 

July 15, 19 99.

WILLIAM A. SHAW
Prothonotary
My Commission Expires
1st Monday in Jan. 2002
Clearfield Co., Clearfield, PA

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL ACTION - LAW

VIC DESANTIS, t/d/b/a
WOOD WORKING AND
CONSTRUCTION,
Plaintiff,

vs.

LEROY J. LITTLE and
CAROL LITTLE,
Defendants.

:
:
: No. 94 - 1595 - CD
:
: Type of Pleading:
:
: Filed on Behalf of PLAINTIFF by:
: JOHN H. FORADORA, ESQ.
: Supreme Court No. 63413
: PONTZER & FORADORA
: 9 South Mill Street
: Ridgway, PA 15835
: (814) 773 3108

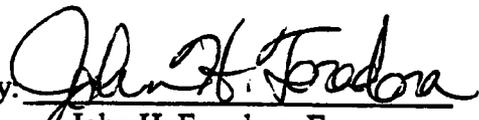
NOTICE TO DEFENDANTS

TO: LEROY J. LITTLE
RD 1, BOX 253
CLEARFIELD, PA 16830

CAROL LITTLE
RD 1, BOX 253
CLEARFIELD, PA 16830

The enclosed Praecept to Enter Judgment has been sent to the Clearfield County
Prothonotary's Office due to the Arbitrator's Award entered July 15, 1999, and not appealed by you.

PONTZER & FORADORA

By: 
John H. Foradora, Esq.
Attorney for Plaintiff

CERTIFICATION OF SERVICE

I hereby certify that I am this ____ day of October, 1999, serving the foregoing Notice and Praecept for Entry of Judgment upon the persons and in the manner indicated below, which service satisfies the requirements of the Pennsylvania Rules of Civil Procedure:

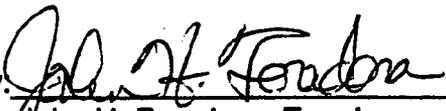
Service by First Class Mail, Postage Prepaid,
Addressed as Follows:

Christopher A. Pentz, Esq.
PO Box 552
Clearfield, PA 16830

Leroy J. Little
RD 1, Box 253
Clearfield, PA 16830

Carol Little
RD 1, Box 253
Clearfield, PA 16830

PONTZER & FORADORA

By: 

John H. Foradora, Esquire
Attorney for Plaintiff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
STATEMENT OF JUDGMENT

VIC DESANTIS, t/d/b/a WOOD

WORKING AND CONSTRUCTION,

Plaintiff(s)

vs.

LEROY J. LITTLE and CAROL LITTLE

Defendant(s)

Docket 268

No. 94-1595-CD

Real Debt \$1,072.39

Atty's Comm _____

Costs \$ _____

Int. From _____

Entry \$9.50

Instrument Judgment/Arbitration

Date of Entry October 12, 1999

Expires October 12, 2004

Certified from the record this 12th day of October, 19 99.

William A. Shaw, Prothonotary

SIGN BELOW FOR SATISFACTION

Received on _____, 19 __, of defendant full satisfaction of this Judgment, Debt, Interest and Costs and Prothonotary is authorized to enter Satisfaction on the same.

Plaintiff/Attorney

WRIT OF EXECUTION and/or ATTACHMENT
COMMONWEALTH OF PENNSYLVANIA, COUNTY OF CLEARFIELD
CIVIL ACTION - LAW

VIC DESANTIS t/d/b/a
WOOD WORKING AND CONSTRUCTION

Plaintiffs

NO: 94-1595-CD

LEROY J. LITTLE and
CAROL LITTLE

Defendant

TO THE SHERIFF OF CLEARFIELD COUNTY:

To satisfy the debt, interest and costs due Vic DeSantis t/d/b/a
Wood Working and Construction PLAINTIFF (S)
from Leroy J. Little and Carol Little

DEFENDANT (S)

(1) You are directed to levy upon the property of the defendant(s) and to
sell interest(s) therein: _____

(2) You are also directed to attach the property of the defendant(s) not
levied upon in the possession of _____

GARNISHEE(S) as

follows:

and to notify the garnishee(s) that: (a) an attachment has been issued;
(b) the garnishee(s) is/are enjoined from paying any debt to or for the
account of the defendant(s) and from delivering any property of the
defendant(s) or otherwise disposing thereof;

(3) If property of the defendant(s) not levied upon and subject to
attachment is found in the possession of anyone other than a named
garnishee, you are directed to notify him/her that he/she has been added
as a garnishee and is enjoined as above stated.

AMOUNT DUE \$1,072.39
INTEREST _____

ATTY PAID \$84.75
SHERIFF _____

PROTH. COSTS _____

OTHER COSTS Magistrate Court
\$54.00 & Sheriff Advance \$232.00

ATTY'S COMM _____
DATE: October 28, 1999

William A. Shaw
PROTHONOTARY/CLERK CIVIL DIVISION

RECEIVED THIS WRIT THIS _____ DAY
OF _____ A.D. 19 _____
AT _____ A.M./P.M.

REQUESTING PARTY NAME: John H. Foradora, Esq. 

SHERIFF

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY PENNSYLVANIA
CIVIL DIVISION

VIC DESANTIS, t/d/b/a

WOOD WORKING AND CONSTRUCTION

Plaintiff

vs.

NO. 94-1595-CD

LEROY J. LITTLE and

CAROL LITTLE

Defendant

CERTIFICATE OF DISCONTINUATION

COMMONWEALTH OF PA
COUNTY OF CLEARFIELD

I, WILLIAM A. SHAW, Prothonotary of the Court of Common Pleas in and
for the County and Commonwealth aforesaid do hereby certify that the above
case was this day, the 6th day of December, A.D.
1999, is marked:

SETTLED, DISCONTINUED and SATISFIED

Record costs in the sum of \$ 89.75 have been paid in full by

Attorney Foradora

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal of this
Court at Clearfield, Clearfield County, Pennsylvania this 7th day of
December A.D. 1999

COPY!

PROTHONOTARY

WRIT OF EXECUTION and/or ATTACHMENT
COMMONWEALTH OF PENNSYLVANIA, COUNTY OF CLEARFIELD
CIVIL ACTION - LAW

VIC DESANTIS t/d/b/a
WOOD WORKING AND CONSTRUCTION

Plaintiffs

NO: 94-1595-CD

LEROY J. LITTLE and
CAROL LITTLE

Defendant

TO THE SHERIFF OF CLEARFIELD COUNTY:

To, satisfy the debt, interest and costs due Vic DeSantis t/d/b/a
Wood Working and Construction PLAINTIFF (S)
from Leroy J. Little and Carol Little

DEFENDANT (S)
(1) You are directed to levy upon the property of the defendant(s) and to
sell interest(s) therein: _____

(2) You are also directed to attach the property of the defendant(s) not
levied upon in the possession of _____

GARNISHEE(S) as follows:

and to notify the garnishee(s) that: (a) an attachment has been issued;
(b) the garnishee(s) is/are enjoined from paying any debt to or for the
account of the defendant(s) and from delivering any property of the
defendant(s) or otherwise disposing thereof;

(3) If property of the defendant(s) not levied upon and subject to
attachment is found in the possession of anyone other than a named
garnishee, you are directed to notify him/her that he/she has been added
as a garnishee and is enjoined as above stated.

AMOUNT DUE \$1,072.39
INTEREST _____

ATTY PAID \$84.75
SHERIFF _____

PROTH. COSTS _____

OTHER COSTS Magistrate Court
\$54.00 & Sheriff Advance \$232.00

ATTY'S COMM _____
DATE: October 28, 1999

William A. Shaw
PROTHONOTARY/CLERK CIVIL DIVISION

RECEIVED THIS WRIT THIS 1st DAY
OF November A.D. 19 99
AT 11:30 A.M./P.M.

REQUESTING PARTY NAME:
John H. Foradora, Esq.

Walter A. Hawkins
SHERIFF by Margaret H. Pitt

FAX TRANSMISSION

PONTZER & FORADORA

220 CENTER STREET
RIDGWAY, PA 15853
(814) 773-3108
FAX: (814) 773-3109

TO: Clearfield County Sheriff
ATTN: Peggy

DATE: November 10, 1999

cc: Chris A. Pentz, Esq.

FAX: 1 814 765 6089 (Sheriff)
1 814 765 8142 (Pentz)

PAGES: One (1) - (including cover)

FROM: DEBBIE MCCARRIER
On behalf of:
John H. Foradora, Esq.

RE: DESANTIS vs. LITTLE - No. 94-1595-CD

Peggy,

Per our telephone conversation earlier this date, service of the Writ and levying of Defendants' personal property was to be done by the Sheriff's Office today. Attorney Foradora is in Canada until November 16, 1999. Therefore, we are requesting that you postpone service of the Writ for one week (until after John's return).

Attorney Pentz's office has forwarded a check from the Defendants in the amount of \$1072.39 to our office. His secretary notified this office today that payment of the outstanding costs (\$370.75) will be made within the week.

Thank you - Debbie

This message is intended only for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential and exempt from disclosures under law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone (collect) and return the original message to us at the above address via the United States Postal Service. Thank you.

IF THERE IS A PROBLEM, PLEASE CONTACT OUR OFFICE AT 814-773-3108.

Q
11-10-99
COPY

94-1595-CW

NOW, November 30, 1999, received letter from John Foradora, attorney for the Plaintiff, that Writ is to be returned as matter settled, discontinued and satisfied.

NOW, February 24, 2000, return writ as matter settled, discontinued and satisfied, paid costs from advance and made refund of unused advance to the attorne.

SHERIFF HAWKINS \$9.00
SURCHARGE 32.00
PAID BY ATTORNEY

SO ANSWERS,

Chester A. Hawkins
by Margaret N. Pratt
CHESTER A. HAWKINS,
SHERIFF

SWORN and SUBSCRIBED BEFORE ME
THIS 24th day of FEBRUARY, 2000.

William A. Shaw

WILLIAM A. SHAW
Prothonotary
My Commission Expires
1st Monday in Jan. 2002
Clearfield Co., Clearfield, PA.

FILED

FEB 24 2000

01358
William A. Shaw
Prothonotary *ES*

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST STREET
MARINO BUILDING
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

TELEPHONE
(814) 765-4000

October 29, 1999

FAX
(814) 765-8142

Attorney John Foradora
9 South Mill Street
Ridgway PA 15853

Re: DeSantis vs Little/No. 94-1595-CD

Dear Attorney Foradora:

Enclosed is check # 1389 in the amount of \$1,072.39 made payable to you. I am forwarding you this check upon the condition that the above referenced matter be marked satisfied. I would also request you provide me with proof that the Judgment has been satisfied.

Sincerely,

Chris A. Pentz

COPY

CAP/jms
Enclosure

cc: Mr. & Mrs. Leroy Little

LERoy J. LITTLE CAROLE A. LITTLE RR 1 BOX 253 CLEARFIELD PA 16830	1389
	10/29/99 60-627/313
Pay to the order of <u>John H. Foradora, Esquire</u>	\$ <u>1,072.39</u>
<u>one thousand, seventy two and 39/100</u>	Dollars <input checked="" type="checkbox"/>
COUNTY NATIONAL BANK CLEARFIELD PA	
<u>Cash</u> For <u>94-1595-CD</u> <u>Chris A. Little</u>	
⑆03⑆306278⑆ ⑆009086⑆ 20⑆	1389

ARTISTIC CHECKS® • 1-800-224-7621 • BASIC BLUE

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY, PENNSYLVANIA

VIC DESANTIS, t/d/b/a
WOOD WORKING AND
CONSTRUCTION,
Plaintiff

Vs.

LEROY J. LITTLE and
CAROL LITTLE,
Defendants

:
:
: NO. 94-1595-C.D.
:
:

: Type of Pleading:
: PRAECIPE TO SETTLE, DISCONTINUE
: AND MARK SATISFIED
:
:

: Filed on behalf of Plaintiff by:
: JOHN H. FORADORA, ESQUIRE
: Pontzer & Foradora
: 220 Center Street
: Ridgway, PA 15853
: (814)773-3108
: Atty. I.D. NO. 63413

PRAECIPE

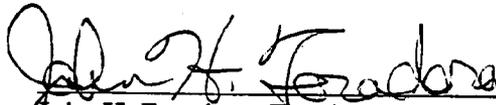
TO THE PROTHONOTARY:

Please mark the above captioned matter settled, discontinued and satisfied.

Respectfully Submitted:

PONTZER & FORADORA

By:


John H. Foradora, Esquire

Dated: November 24, 1999

cc: Chris A. Pentz, Esquire
211 1/2 East Locust Street
Marino Building
P.O. Box 552
Clearfield, PA 16830

Sheriff of Clearfield Co.
Clearfield Co. Courthouse
Clearfield PA 16830

COPY

Rec'd
11-30-99

Personal Property Sale

Personal Property Sale

PERSONAL PROPERTY SALE
SCHEDULE OF DISTRIBUTION

LITTLE
94-1595-CD

NOW, _____, by virtue of the writ hereunto attached, after having given due and legal notice of the time and place of sale, by handbills posted on the premises, setting forth the time and place of sale, I sold on the _____ day of _____ 1998, the defendant's personal property for _____, and made the following appropriations.

SHERIFF'S COSTS:

DEBT & INTEREST:

RDR	<u>9.00</u>
SERVICE	<u>-9.00</u>
MILEAGE	<u>1.00</u>
LEVY	<u>-20.00</u>
MILEAGE	<u>1.00</u>
POSTING	<u>-9.00</u>
HANDBILLS	<u>10.00</u>
COMMISSION	_____
UNABLE TO LEVY	_____
POSTAGE	<u>+ 1.32</u>
ADD'L SERVICE	<u>9.00</u>
ADD'L MILEAGE	_____
ADD'L LEVY/DEPUTIZE	_____
ADD'L POSTING	_____
COPIES	<u>5.00</u>
RETURN OF INT'S	_____
SHERIFF COSTS	<u>9.00</u>

COMMISSION 2% FIRST \$100,000.00 AND 1/2 % ON ALL OVER THAT.

DEBT	\$	<u>1,072.39</u>
TOTAL AT PRESENT	\$	<u>1,072.39</u>
COSTS:		
ATTORNEY PAID	\$	<u>84.75</u>
COSTS TO BE ADDED	\$	_____
SHERIFF COSTS	\$	_____
REFUND OF ADVANCE	\$	_____
REFUND OF SURCHARGE	\$	_____
TOTAL COSTS	\$	<u>9.00</u>

DISTRIBUTION WILL BE MADE IN ACCORDANCE WITH THE ABOVE SCHEDULE UNLESS EXCEPTIONS ARE FILED WITH THIS OFFICE WITHIN TEN (10) DAYS FROM THIS DATE.

COPY

CHESTER A. HAWKINS,
SHERIFF OF CLEARFIELD COUNTY

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

-vs-

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,
Defendant

CIVIL DIVISION

No. 00-729 C.D.

Type of Pleading:

**Praecipe for
Judgment**

Filed on Behalf of:
Defendant

Counsel of Record for this Party:

Matthew B. Taladay, Esquire
Supreme Court No. 49663
Hanak, Guido and Taladay
498 Jeffers Street
P.O. Box 487
DuBois, PA 15801
(814) 371-7768

FILED

SEP 17 2002

William A. Shaw
Prothonetary

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,

Plaintiffs

-vs-

No. 00-729- C.D.

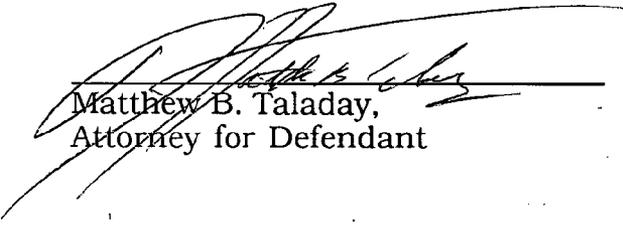
ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,

Defendant

PRAECIPE FOR JUDGMENT

TO THE PROTHONOTARY:

Kindly enter judgment based on the Award of Arbitrators
dated June 13, 2002.


Matthew B. Taladay,
Attorney for Defendant

COPY

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

-vs-

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,
Defendant

No. 00-729- C.D.

TO: Leroy J. Little
R.R. #1, Box 253
Clearfield, PA 16830

Carol Little
R.R. #1, Box 253
Clearfield, PA 16830

You are hereby notified that judgment was entered against
you and in favor of ERIE Insurance Exchange on the 17th day of
September, 2002.



Arb 6-13-02

HANAK, GUIDO and TALADAY
Attorneys at Law

Robert M. Hanak
Anthony S. Guido
Matthew B. Taladay

Telephone: (814) 371-7768
Fax: (814) 371-1974

498 Jeffers Street
P.O. Box 487
DuBois, PA 15801

Nicole Hanak Bankovich
Jeffrey S. DuBois

June 6, 2002

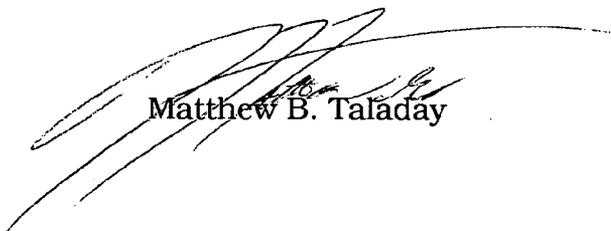
Marcy Kelley
Deputy Court Administrator
Clearfield County Courthouse
Suite 228
230 East Market Street
Clearfield, PA 16830

Re: Little vs. ERIE Insurance Exchange
No. 00-729 C.D.

Dear Marcy:

Enclosed is Defendant's Pre-Trial Statement with regard to the above referenced matter. Kindly note that by copy of this letter I am forwarding a copy to Attorney Chris Pentz, Attorney for Plaintiffs as well as to each of the Arbitrators. If you should have any questions concerning the enclosed, please do not hesitate to contact me.

Sincerely,


Matthew B. Taladay

MBT:kam

Enc.

cc: Chris A. Pentz, Esq.
F. Cortez Bell, III, Esq.
Richard H. Milgrub, Esq.
Gary A. Knaresboro, Esq.
Ronald G. Habusky
Claim No. 010110064845

RECEIVED

JUN 07 2002

**COURT ADMINISTRATORS
OFFICE**

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

-vs-

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,
Defendant

CIVIL DIVISION

No. 00-729 C.D.

Type of Pleading:
**Pre-Trial
Statement**

Filed on Behalf of:
DEFENDANT

Counsel of Record for this Party:

Matthew B. Taladay, Esquire
Supreme Court No. 49663
Hanak, Guido and Taladay
498 Jeffers Street
P.O. Box 487
DuBois, PA 15801
(814) 371-7768

RECEIVED

JUN 07 2002

**COURT ADMINISTRATORS
OFFICE**

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LERROY J. LITTLE and	:	
CAROL LITTLE,	:	
Plaintiffs	:	
	:	
-vs-	:	No. 00-729- C.D.
	:	
ERIE INSURANCE EXCHANGE, a	:	
licensed reciprocal insurance	:	
exchange,	:	
Defendant	:	

DEFENDANT'S PRE-TRIAL STATEMENT

AND NOW, comes the Defendant, ERIE Insurance Exchange, by its attorneys, Hanak, Guido and Taladay, and hereby files the within Pre-Trial Narrative pursuant to Local Rule L212.

A Background

In April, 1994, LeRoy J. Little and Carol Little hired Vic DeSantis, t/d/b/a Wood Working and Construction, to perform work on their house located at R.D. #1, Clearfield, Pennsylvania. The work to be performed was set forth in an estimate dated April 9, 1994 and included, among other items, replacement of existing shingles with 25 year fiberglass roof shingles, the building of a two car garage and closing in a breezeway. The estimated cost for this work was \$33,723.00.

On June 6, 1994, Mr. DeSantis had removed a portion of the existing roof but had not completed application of the new shingles when he placed tarps over the roof and left for the weekend.

A heavy storm event on June 6, 1994 caused extensive water damage to the Little residence.

The Littles were insured under a policy of homeowner's insurance issued by ERIE Insurance Exchange and accordingly a claim for the loss was submitted. ERIE Insurance Exchange evaluated the loss and ultimately paid the Littles in excess of \$25,000.00 against the claim.

Under the terms of the insurance agreement between the Littles and ERIE Insurance Exchange, the insurer retains a right of subrogation against any party potentially responsible for the damages which give rise to the claim. This is specifically set forth in paragraph 7 of the policy which read as follows:

(7) OUR RIGHT TO RECOVER FROM OTHERS

After we make a payment under this policy, we will have the right to recover from anyone else held responsible for the loss. This right will not apply under *Section I* if you have waived it in writing prior to the loss.

Anyone to whom we have paid will sign papers and do whatever is required to transfer this right to us, and do nothing to harm this right.

Anyone receiving payment from us and someone else for the same loss will reimburse us up to our payment.

The policy of insurance further sets forth the rights and duties of the insured after a loss as follows:

(6) YOUR DUTIES AFTER A LOSS

When there is an accident or occurrence anyone we protect will:

... 3. at our request:

a. assist in making settlement;

- b. help us enforce any right of recovery against any party liable to anyone we protect;
- c. assist in the conduct of suits; . . .

In accordance with the subrogation rights set forth in the policy, ERIE Insurance Exchange made a claim Victor DeSantis, through his insurance, Nationwide Insurance. ERIE agreed to accept DeSantis' policy limit of \$25,000.00 in settlement of its claim. Accordingly, a release was issued to Victor DeSantis, DeSantis Construction, Nationwide Mutual Insurance Company on March 11, 1996. The terms of the release strictly limited the release to claims arising out of the incident of June 6, 1994, which was the date of the storm loss at the Little residence.

Following the water damage incident, Mr. and Mrs. Little continued to employ Vic DeSantis to continue with the other work contemplated under the April 1994 estimate. Accordingly, Mr. DeSantis continued to perform work on the garage addition to the home. Subsequently, a disagreement arose and DeSantis discontinued work on the project.

In September, 1994, Victor DeSantis instituted a District Justice Complaint against the Littles seeking payment for work performed but not reimbursed at the time he left the job. Ultimately, this suit was appealed and a complaint was filed in the Court of Common Pleas.

The complaint of Vic DeSantis was filed with the Court of Common Pleas on January 12, 1995. Not until July, 1997 did LeRoy and Carol Little file an answer to the complaint. Included with this answer was a counterclaim whereby the Littles were seeking damages

in the amount of \$17,068.34 for items contained in the estimate but not completed or allegedly completed defectively. At no time was ERIE Insurance Exchange given notice of the suit or counterclaim.

Counsel for Vic DeSantis, John Foradora, raised as an affirmative defense to the Littles' counterclaim the release executed by ERIE Insurance to Vic DeSantis arising out the water damage incident of June 4, 1996. This issue was submitted to the Honorable John K. Reilly on a stipulated set of facts between Plaintiffs and Defendant. At no time was ERIE Insurance Exchange contacted to provide input, documentation or testimony concerning the limitations and extent of the 1996 release. Additionally, counsel for LeRoy and Carol Little presented no information to Judge Reilly to indicate that the 1996 release was limited solely to a water loss claim. The stipulated facts fail in any way to reference the water damage claim.

Lacking the information regarding the background and the facts surrounding the release, Judge Reilly ruled that the release constituted a general release and therefore barred the Littles' counterclaim. An arbitration panel found in favor of Vic DeSantis and awarded damages in the amount of \$1,072.39. The Littles did not appeal this arbitrator's award and ultimately paid Vic DeSantis and the case was discontinued.

Plaintiffs have filed the present lawsuit claiming that ERIE Insurance Exchange is responsible to them for the damages alleged in the counterclaim against Vic DeSantis in the amount of \$6,105.34, plus the monies that they paid to DeSantis in the amount of \$1,072.39. This lawsuit was filed by Plaintiffs on June 19, 2000.

ERIE Insurance Exchange responded to Plaintiffs' complaint averring that no terms of the contractual arrangement between the parties have been broken. ERIE has claimed affirmative defenses, including *laches*, in that the lengthy delay between the date of release and the date of Plaintiffs' claim have prejudiced ERIE's ability to defend this claim. In addition, ERIE was given no notice of the proceedings between Vic DeSantis and the Littles in general, and particularly with regard to the terms and conditions of the release. Accordingly, ERIE has denied all liability to the Plaintiffs.

This case is scheduled for arbitration proceedings on June 11, 2002. This Pre-Trial Statement is submitted in accordance with Local Rules.

B. Witnesses

Defendant may call any and all of the following witnesses:

1. Victor DeSantis
Wood Working and Construction
1600 Main Street
Brockway, PA 15824
2. Honorable John Foradora
c/o Jefferson County Courthouse
200 Main Street
Brookville, PA 15825
3. LeRoy J. Little
R.D. #1, Box 253
Clearfield, PA 16830
4. Carol Little
R.D. #1, Box 253
Clearfield, PA 16830
5. Ronald G. Habursky
c/o ERIE Insurance Exchange
100 Erie Insurance Place
Erie, PA 16530

C. Exhibits

Exhibits to be introduced at hearing of this matter:

1. ERIE Insurance Exchange Home Protector policy issued to LeRoy and Carol Little
2. ERIE Insurance claims file notes
3. Release dated March 11, 1996
4. Pleadings - DeSantis vs. Little
5. Photographs of Plaintiffs' residence
6. Correspondence between parties
7. Any documents provided by Plaintiffs in response to discovery requests
8. Stipulation and documents submitted regarding summary judgment motion - DeSantis vs. Little
9. Deposition transcript of Carol A. Little
10. Deposition transcript of LeRoy Little

Defendant reserves the right to supplement the above upon reasonable notice to all parties.

D. Unusual Questions of Law

None anticipated. Defendant intends to submit a trial brief regarding applicable legal issues.

E. Hypothetical Questions

None

F. Plots and Plans

None

G. Estimate Time for Arbitration

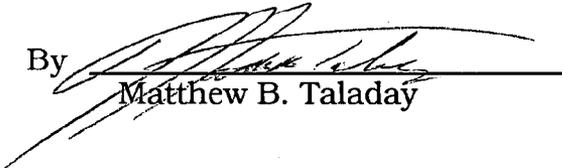
One-half day

Respectfully submitted,

HANAK, GUIDO and TALADAY

Dated: June 6, 2002

By


Matthew B. Taladay

Ab 6-13-02

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST STREET
MARINO BUILDING
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

TELEPHONE
(814) 765-4000

FAX
(814) 765-8142

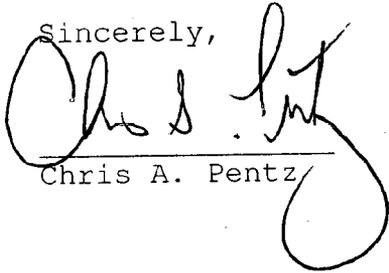
June 7, 2002

Office of Court Administrator
Clearfield County Courthouse
Clearfield PA 16830

In Re: Little vs Erie Insurance/No. 00-729-C.D.

Dear Sir or Madam:

Enclosed is the Plaintiffs' PreTrial Statement. I am serving opposing counsel by FAX on this date and am having the Arbitrators' copies hand delivered today. If you need anything further in this matter, please advise.

Sincerely,

Chris A. Pentz

CAP/jms
Enclosures

cc: Matthew P. Taladay, Esquire
F. Cortez Bell, III, Esquire
Richard H. Milgrub, Esquire
Gary A. Knaresboro, Esquire
file

RECEIVED
JUN 07 2002
COURT ADMINISTRATORS
OFFICE

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiff

vs

No. 00-729-C.D.

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,
Defendant

DEFENDANTS' PRE-TRIAL STATEMENT

A. BRIEF STATEMENT OF THE CASE.

The background as set forth in Defendant's PreTrial Statement is substantially correct in setting forth the factual statement of the case. Plaintiffs would take exception to the following:

a. The Release provided by Erie Insurance was general in nature and this matter has been previously determined by Judge Reilly to Docket No. 94-1595-C.D.

b. The Plaintiffs advised agents of Erie Insurance from the beginning of the DeSantis suit and kept said agents continually updated on the progress of the suit.

c. The Erie Insurance was aware of the issue concerning the General Release prior to any decision by the Court.

B. CITATION TO APPLICABLE CASE OR STATUTES.

This case presents no unusual issues of law.

C. WITNESSES.

1. Leroy J. Little - Plaintiff

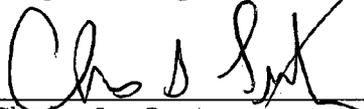
2. Carol Little - Plaintiff

3. All other witnesses set forth in Defendant's PreTrial Statement.

IV STATEMENT OF DAMAGES.

The damages which are being claimed by Plaintiffs are the result of Plaintiffs' inability to sue a third party due to a General Release executed by Erie Insurance through an insurance policy subrogation provision. Any bills which will be presented are not those directly concerning Erie Insurance but are those related to the third party (DeSantis). These documents have been provided in Discovery to Defendant's counsel. If the Arbitrators desire copies of these third party claim bills, they will be provided upon request in that they are slightly voluminous. The damages claimed are of record in the DeSantis vs Little case filed at Clearfield County Docket No. 94-1595-C.D.

Respectfully submitted,


Chris A. Pentz
Attorney for Plaintiffs

————— **Fold Here** —————

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST ST. P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST STREET
MARINO BUILDING
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

TELEPHONE
(814) 765-4000

FAX
(814) 765-8142

August 5, 1999

Erie Insurance Group
Attention: Mr. Mark Swanseger
100 Erie Insurance Place
Erie PA 16530

Re: Leroy J. Little/Claim # 010110064845

Dear Mr. Swanseger:

Enclosed are the following items:

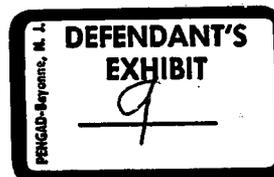
1. Complaint
2. Answer and Counterclaim
3. Preliminary Objections to Defendant's Counterclaim
4. Stipulation and Order of Court
5. Notice of Award of Arbitrators

As you will note, the Release in this matter has prevented Mr. and Mrs. Little from pursuing their Counterclaim. Additionally, it has cost Mr. and Mrs. Little \$1,072.39 in that the Arbitrators would not consider an offset for amounts paid prior to the Release. It is my legal opinion that there would be no benefit to further additional review of this matter. It is my opinion that the decisions are correct in light of the Release. Would you please contact my office and set up a phone conference so we may discuss this matter.

Sincerely,

Chris A. Pentz

CAP/jms
Enclosures
cc: Mr. & Mrs. Leroy Little



~~LEROY J. LITTLE~~
CAROLE A. LITTLE
R.R. 1; BOX 253
CLEARFIELD, PA 16830

8722

60-627/313

8.5 1994

PAY TO THE
ORDER OF

Crawford Dove Sales

\$ 2240.00

two thousand two hundred and forty 00/100

DOLLARS



CNB
COUNTY NATIONAL BANK
MAIN OFFICE, CLEARFIELD, PA

MEMO

2240.00

Carole Little NP

⑆031306278⑆ ⑆009086⑆2⑆ 8722 ⑆0000224000⑆

PAY CLEARFIELD BANK & TRUST CO.

CLEARFIELD, PA. 16830

OR ORDER

CRAWFORD DOOR SALES

FOR DEPOSIT ONLY

DO NOT WRITE IN THESE SPACES RECEIVED BY

08 / 94

08/08/94 0303409011
CLFD BANK & TRUST CO > 031306294 <

*FEDERAL RESERVE BOARD

Scofield Street
GURWENSVILLE, PA 16833
(814) 236-0220

Shaffer Road
DuBOIS, PA 15801
(814) 371-9311

1260 Wayne Ave.
INDIA PA 15701
(412) -2281

777 E. Butler Rd.
BUTLER, PA 16001
(412) 282-3100



LUMBER AND BUILDING MATERIALS CENTERS

Chad Road
CY, PA 17756
(7) 546-8026

2350 E. College Ave.
STATE COLLEGE, PA 16801
(814) 237-3511

Industrial Drive
GROVE CITY, PA 16127
(412) 458-5501

Cranberry Mall
CRANBERRY, PA 16319
(814) 677-7422

TYPE OF TRANSACTION:	LOCATION:
CASH SALE	GURWENSVILLE
NOT RESPONSIBLE FOR LOAD DAMAGE	

SOLD TO:

CASH SALE

SHIP TO:

LITTLE, MERCY

INVOICE NO.

CUST CODE	SEQ. NO.	TIME
120030000	003677	10:55

TRANS. NO.	TRANS. DATE	STR. NO.	S'MAN	WRT. BY	OPER. NO.
53289	72794	1	99	125	1
7150					

DATE DELV'D	DATE WANTED
05/28/94	05/29/94

REFERENCE NO.	P.O. NO.	JOB NUMBER	ESTIMATE NO.	LOT NO.	SALESMAN
17412	LITTLE		7554752		BRIAN BICKEL COUNTS

ITEM NO.	QUAN. ORD.	QUAN. SHPD.	DESCRIPTION	UNITS	PRICE / UNIT	EXTENSION
ANDERSEN	1	X	ANDERSEN SPECIAL ORDER 1 S43 TERRATONE SCREEN	1.00	30.000/EA	30.00
3315	3	3x	AD AWNING SCREEN HERE - 7/21/94 - IN BLDG 1-4 HERE - 7/21/94 - ON SAFE ON SAFE - BACK OFFICE	3.00	13.100/EA	39.30

WE WILL BE GLAD TO ASSIST IN LOADING YOUR ORDER, HOWEVER, WE ARE NOT LIABLE FOR IMPROPER LOADING DAMAGE.

SUB-TOTAL	TAX %	TAX AMOUNT	TOTAL
69.30	.00	4.15	72.55

WE CANNOT GUARANTEE PRICES ON THIS INVOICE UNLESS MATERIAL IS PICKED UP WITHIN 10 DAYS OF INVOICE DATE. All merchandise must be checked when received. No claims for shortages will be allowed after 24 hours of delivery. Material returned in good condition will be credited, but subject to a 10% charge to cover cost of handling. NO MATERIAL MAY BE RETURNED AFTER 30 DAYS. Parties receiving an estimate will please examine the same carefully as we agree to furnish only the articles herein. Errors in extensions, omissions and footings are subject to corrections. A finance charge of 1 1/2% PER MONTH = APR 18% will be added to any unpaid balance past 30 days.

I RECEIVED THE ABOVE MATERIAL IN GOOD CONDITION

Agreement - project 33,000

11,000 down payment
11,000 due when HALF done
11,000 due when finished

Received

4-94 5,000.00

4-94 6,000.00

5-11-94 5,000.00

6-1-94 6,670.00

22,670 = mutual agreement
half done with window
included to be on site next day

half done job worth 16,500

quit. next day $33,000 - 16,500 = 16,500$

22,670 paid

- 16,500 due

6,170, over paid

+ 5,280 cost of cancelled windows

11,450 Total over paid

Effects were to be determined at final payment
Over runs " " " "

Windows 4335.08
 doors 750.00
 garage doors 1090.00

2x4 from Sawmill 82.00 (240.00)
 2x6 (10) 45.00
 2x4 (60) 165.00
 Kil Coat (80) 4x8x1/2 380.00
 Insulation R-30 817.00
 Insulation R-19 219.00
 Install new flex pipe 392.00 - Contracted
 Nails + Misc Tools + Equip 100.00
 Scaffold Rental
 " 20. section per day 3 sets, 5 DAYS 330.00

8370.
 502.20 TX
 8872.20

240 hrs @ \$30.00 per hr (2 people) = \$8400

\$8400 Labor
 8872.20
 17272.20 = work abandoned by
 Vle De Santis

Work Rate
15.00
Per hr

Work not done by Vic DeSante

1. Remove existing eaves SAT - SUN V-2 20 hrs
2. Remove existing chimney - Load - haul to dump 16 hrs
3. Remove replace 4 Andersen Windows existing house 20 hrs
4. Install 6 windows in garage + 2nd story 22 hrs
5. Cut-in and frame 6'8" x 3' door from house to second story of garage. 6 hrs
6. Frame (stud-in) one window - second story (east) 2 hrs
- *7. Frame in one window and sheat outside 2 story - South 4 hrs
- *8. Sheeting N.E. Corner (Breezeway Addition) of garage 2 hrs
9. Floor studs + sheeting of breezeway between area. 12 hrs
10. Stud 2 walls breezeway, frame in 2 doors opening. 8 hrs
11. Roof front porch 10 hrs
12. Frame in bathroom, laundry + DOORS. 60 20 hrs
13. Frame in around flue - 2 stories 12 8 hrs
14. Install new flue (contracted price) \$ 394.00

RICHARDS CONSTRUCTION COMPANY

1 Quarry Avenue
DuBois, PA 15801

Business: (814) 371-7801 Fax: (814) 371-3911
Home: (814) 371-6052

INVOICE

No. 5611

TO LEROY & CAROL LITTLE
CLEARFIELD, PA

DATE	OCTOBER 17, 1994
CUSTOMER ORDER NO.	
SALESPERSON	
VIA	

TERMS: DUE UPON RECEIPT

QUANTITY	DESCRIPTION	PRICE	AMOUNT
	JOB-ROOF REPAIRS TEAR OFF & REPLACE		
1.	8 SQUARE OF 40 YEAR SHINGLES-OAKRIDGE SHADOW		\$551 20
2.	LABOR FOR 3 MEN @200.00 each		600 00
	SUBTOTAL		1151.20
3.	PROFIT/OVERHEAD 20%		230 24
	TOTAL NOW DUE		\$1381 44

Thank You!

Scofield Street
CURWENSVILLE, PA 16833
(814) 236-0220

Shaffer Road
DuBOIS, PA 15801
(814) 371-9311

1260 Wayne Ave
INDIANA, PA 15
(412) 349-2281

777 E. Butler Rd.
BUTLER, PA 16001
(412) 282-3100



LEZZER

LUMBER AND BUILDING MATERIALS CENTERS

Chad
MUNCY, PA 1756
(717) 540-226

2350 E. College Ave.
STATE COLLEGE, PA 16801
(814) 237-3511

Industrial Drive
GROVE CITY, PA 16127
(412) 458-5501

Cranberry Mall
CRANBERRY, PA 16319
(814) 677-7422

TYPE OF TRANSACTION	LOCATION
STANDARD QUOTE	CURWENSVILLE
NOT RESPONSIBLE FOR LOAD DAMAGE	

OLD TO:

CASH SALE

SHIP TO:

LITTLE LEROY

INVOICE NO.

CUST CODE	SEQ. NO.	TIME	TRANS. NO.	TRANS. DATE	STR. NO.	S/MAN	WRT. BY	OPER. NO.
10000009		16:41	11552	81294	1	99		1 7150

DATE DELV'D	DATE WANTED
08/12/94	

REFERENCE NO.	P.O. NO.	JOB NUMBER	ESTIMATE NO.	LOT NO.	SALESMAN
	LITTLE				BRENT AMON

ITEM NO.	QUAN. ORD.	QUAN. SHPD.	DESCRIPTION	UNITS	PRICE / UNIT	EXTENSION
2E16C	150		2 X 6 - 16FT #2 & BTR CONST	150.00	7.750/PC	1162.50
21014C	80		2 X 10 - 14FT #2 & BTR CONST	80.00	14.650/PC	1172.00
21216C	6		2 X 12 - 16FT #2 & BTR CONST	6.00	21.500/PC	129.00
26TRUSS	27		26' SPAN 2' TAILS 4/12 PITCH	27.00	40.990/EA	1106.73
12C24YP	74		1/2"-4X8 CDX 4 PLY YR	74.00	11.450/PC	847.30
58CD	32		5/8" - 4 X 8 CDX YR	32.00	13.950/PC	446.40
34CD	32		3/4" - 4 X 8 CDX YR	32.00	17.750/PC	568.00
50	26		SPECIAL ORDER ITEMS	26.00	65.600/EA	1705.60
FELT	8		UNDERLAYMENT FELT (400 SQ FT)	8.00	7.750/RL	62.00

OAK Ridge Shadow
L104
6A

WE WILL BE GLAD TO ASSIST IN LOADING YOUR ORDER, HOWEVER, WE ARE NOT LIABLE FOR IMPROPER LOADING DAMAGE.

SUB-TOTAL	TAX %	TAX AMOUNT	TOTAL
7199.53	.00	600.31.97	7631.50

WE CANNOT GUARANTEE PRICES ON THIS INVOICE UNLESS MATERIAL IS PICKED UP WITHIN 10 DAYS OF INVOICE DATE. All merchandise must be checked when received. No claims for shortages will be allowed after 24 hours of delivery. Material returned in good condition will be credited, but subject to a 10% charge to cover cost of handling. NO MATERIAL MAY BE RETURNED AFTER 30 DAYS. Parties receiving an estimate will please examine the same carefully as we agree to furnish only the articles herein. Errors in extensions, omissions and footings are subject to corrections. A finance charge of 1 1/2% PER MONTH = APR 18% will be added to any unpaid balance past 30 days.

I RECEIVED THE ABOVE MATERIAL IN GOOD CONDITION X

GOODROW HEATING & PLUMBING

--- 24 HOUR SERVICE ---

R.D. #1 - BOX 484 WOODLAND, PA. 16881

(814) 857-5050

Customer's
Order No.

Date

Nov 15 19 94

M

LeRoy Little

Address

City

Clearfield

State

PA. 16830

SOLD BY	CASH	C.O.D.	CHARGE	ON ACCT.	MOSE. RETD.	PAID OUT
QUANTITY	DESCRIPTION				PRICE	AMOUNT
1	<u>Install Power Vents</u>					
2	<u>on Gas Furnace</u>					
3						
4	<u>Total Material</u>					<u>286 34</u>
5					<u>Tax</u>	<u>17 18</u>
6						<u>303 52</u>
7					<u>Labor</u>	<u>90 00</u>
8						<u>393 52</u>
9						
10	<u>Paid ch #8809</u>					
11	<u>11/17/94</u>					
12	<u>RLG</u>					
13						
14	1½% SERVICE CHARGE AFTER 30 DAYS					
15						

ALL claims and returned goods MUST be accompanied by this bill.

No 3428

Received by

WALTER N. YODER, FOUNDER 1904-1988
JOHN WELDON YODER — PRESIDENT EMERITUS

JOHN W. YODER, JR., P.E. — PRESIDENT
MARK W. YODER, P.E. — VICE PRESIDENT

HAROLDA. HAMMOND — SECRETARY/TREASURER

WALTER N.  YODER & SONS, INC.

16200 MCMULLEN HIGHWAY, SW
P.O. BOX 1337, CUMBERLAND, MARYLAND 21501-1337
PHONE 301/729-0610 FAX NO. 301/729-1517

MECHANICAL
INDUSTRIAL
ENVIRONMENTAL
ENGINEERING AND CONSTRUCTION

January 9, 1995

Mr. Leroy Little
RD #1, Box 253
Clearfield, PA

Ref: Header Beam Support
Garage to Upper Level

Dear Mr. Little:

Per our conversation and review of the above referenced project, we offer the following proposal:

Provide two (2) 1/4" x 12" plates x 28 ft. long to be installed on each side of the existing center support beam in your garage. The plates will be bolted through using 3/8" bolts on 12" centers.

Our LUMP SUM PRICE for the above is \$1,210.00.

We hope this proposal meets with your approval and we look forward to working with you on this project. If you have any questions, please call.

Very truly yours,

WALTER N. YODER & SONS, INC.


Dave Callis

ZDC/ccg

Scofield Street
CURWENSVILLE, PA 16833
(814) 236-0220

Shaffer Road
DuBOIS, PA 15801
(814) 371-9317

1260 ...vne Ave.
INDI/ PA 15701
(41) 9-2281

777 E. Butler Rd.
BUTLER, PA 16001
(412) 282-3100



LEZZER

LUMBER AND BUILDING MATERIALS CENTERS

Chad Road
NCY, PA 17756
(717) 546-8026

2350 E. College Ave.
STATE COLLEGE, PA 16801
(814) 237-3511

Industrial Drive
GROVE CITY, PA 16127
(412) 458-5501

Cranberry Mall
CRANBERRY, PA 16319
(814) 677-7422

3x5
11 = 75
7/16

TYPE OF TRANSACTION	LOCATION
CASH SALE	CURWENSVILLE
NOT RESPONSIBLE FOR LOAD DAMAGE	

SOLD TO:

Little

SHIP TO:

INVOICE NO.

CUST CODE	SEQ. NO.	TIME	TRANS. NO.	TRANS. DATE	STR. NO.	S'MAN	WRT. BY	OPER. NO.	DATE DELV'D	DATE WANTED
10000000	045007	14:44	54825	73194	1	BT	15	7150		

REFERENCE NO.	P.O. NO.	JOB NUMBER	ESTIMATE NO.	LOT NO.	SALESMAN
					ELAINE RUSSELL

ITEM NO.	QUAN. ORD.	QUAN. SHPD.	DESCRIPTION	UNITS	PRICE / UNIT	EXTENSION
2480	40	40	2X4X8FT #2&3TR CONST ESC (PR)	40.00	2.750/PC	110.00
2620	2	2	2 X 6 - 8FT #2 & 3TR CONST	2.00	3.890/PC	7.78
2DWS150	1	1	#853 2" DRYWALL SCREWS	1.00	3.990/BX	3.99
3DWS50	1	1	#866 3" DRYWALL SCREWS	1.00	3.990/BX	3.99

Pick up 8/16

WE WILL BE GLAD TO ASSIST IN LOADING YOUR ORDER, HOWEVER, WE ARE NOT LIABLE FOR IMPROPER LOADING DAMAGE.

WE CANNOT GUARANTEE PRICES ON THIS INVOICE UNLESS MATERIAL IS PICKED UP WITHIN 10 DAYS OF INVOICE DATE. All merchandise must be checked when received. No claims for shortages will be allowed after 24 hours of delivery. Material returned in good condition will be credited, but subject to a 10% charge to cover cost of handling. NO MATERIAL MAY BE RETURNED AFTER 30 DAYS. Parties receiving an estimate will please examine the same carefully as we agree to furnish only the articles herein. Errors in extensions, omissions and footings are subject to corrections. A finance charge of 1 1/2% PER MONTH = APR % will be added to any unpaid balance past 30 days.

SUB-TOTAL	TAX %	TAX AMOUNT	TOTAL
125.76	.00	7.55	133.31

I RECEIVED THE ABOVE MATERIAL IN GOOD CONDITION

[Signature]

Scofield Street
CURWENSVILLE, PA 16833
(814) 236-0220

Shaffer Road
DuBOIS, PA 15801
(814) 371-9311

1260 Wayne Ave.
INDIANA, PA 15701
(412) 349-2281

777 E. Butler Rd.
BUTLER, PA 16001
(412) 282-3100



LEZZER

LUMBER AND BUILDING MATERIALS CENTERS

Chad Road
MUNCY, PA 17756
(717) 546-8026

2350 E. College Ave.
STATE COLLEGE, PA 16801
(814) 237-3511

Industry
GROVE CITY
(412) -

Cranberry
CRANBURY
(814) 6

TYPE OF TRANSACTION:

CASH SALE

NOT RESPONSIBLE FOR LOAD DAMAGE

LOCATION:

CURWENSVILLE

SOLD TO:

Little

SHIP TO:

TAKE

INVOICE

CUST CODE	SEQ. NO.	TIME
10000009	05800	11:33

TRANS. NO.	TRANS. DATE	STR. NO.	S'MAN	WRT. BY	OPER. NO.
15319	41294	1	99	18	1 7150

DATE DELV'D	DATE WANT.

REFERENCE NO.	P.O. NO.	JOB NUMBER	ESTIMATE NO.	LOT NO.	SALESMAN
					TIMMY BORTOT

ITEM NO.	QUAN. ORD.	QUAN. SHPC.	DESCRIPTION	UNITS	PRICE / UNIT	EX
12004YP	3	3	1/2"-4X8 CDX 4 PLY YP			
24GR5	2	2	5# 3/4" EG ROOFING NAILS	3.00	12.120/80	
50BOXS	1	1	5# SD SINKER NAILS	3.00	4.790/8X	
				1.00	3.490/5X	

PD
CK# 8549
T.D.

WE WILL BE GLAD TO ASSIST IN LOADING YOUR ORDER, HOWEVER, WE ARE NOT LIABLE FOR IMPROPER LOADING DAMAGE.

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SUB-TOTAL	TAX %	TAX AMOUNT	TOTL
49.64	.00	500	2.98
			52

I RECEIVED THE ABOVE MATERIAL IN GOOD CONDITION. X

J.W.P.

Scofield Street
CURWENSVILLE, PA 16833
(814) 236-0220

Shaffer Road
DuBOIS, PA 15801
(814) 371-9311

1260 Wayne Ave.
INDIA PA 15701
(412) 422-281

777 E. Butler Rd.
BUTLER, PA 16001
(412) 282-3100



LEZZER

LUMBER AND BUILDING MATERIALS CENTERS

Chad Road
JCY, PA 17756
(717) 546-8026

2350 E. College Ave.
STATE COLLEGE, PA 16801
(814) 237-3511

Industrial Drive
GROVE CITY, PA 16127
(412) 458-5501

Cranberry Mall
CRANBERRY, PA 16319
(814) 677-7422

TYPE OF TRANSACTION:	LOCATION:
CASH SALE	CURWENSVILLE
NOT RESPONSIBLE FOR LOAD DAMAGE	

SOLD TO:

[Handwritten signature]

SHIP TO:

TAX:

INVOICE NO.

CUST CODE	SEQ. NO.	TIME	TRANS. NO.	TRANS. DATE	STR. NO.	S'MAN	WRT. BY	OPER. NO.
10000000	16099	12:34	57288	00794	1	99	23	1 7150

DATE DELV'D	DATE WANTED

REFERENCE NO.	P.O. NO.	JOB NUMBER	ESTIMATE NO.	LOT NO.	SALESMAN
					RICH BORMGHT

ITEM NO.	QUAN. ORD	QUAN. SHPD	DESCRIPTION	UNITS	PRICE / UNIT	EXTENSION
18280X1	3	3	1 1/4 180 SINKER NAILS	18.00	.950/0X	2.97
916P	2	2	9/16 ARROW STAPLES 1250/BX	2.00	2.690/8X	5.38
T55	1	1	T55 ARROW STAPLE GUN	1.00	15.990/EA	15.99
208HR	1	1	2/0X6/8 BIR D-HUNG PTYHR	1.00	98.950/EA	98.95
779850	1	1	779850 DRITTANY PRIVACY PB	1.00	3.990/EA	3.99

[Handwritten signature]

WE WILL BE GLAD TO ASSIST IN LOADING YOUR ORDER, HOWEVER, WE ARE NOT LIABLE FOR IMPROPER LOADING DAMAGE.

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SUB-TOTAL	TAX %	TAX AMOUNT	TOTAL
132.28	.00500	7.94	140.22

I RECEIVED THE ABOVE MATERIAL IN GOOD CONDITION

[Handwritten signature]

Scofield Street
CURWENSVILLE, PA 16833
(814) 236-0220

Shaffer Road
DuBOIS, PA 15801
(814) 371-9311

1260 ...me Ave.
INDIA ...A 15701
(412) ...-2281

777 E. Butler Rd.
BUTLER, PA 16001
(412) 282-3100



LUMBER AND BUILDING MATERIALS CENTERS

Chad Road
JCY, PA 17756
(717) 546-8026

2350 E. College Ave.
STATE COLLEGE, PA 16801
(814) 237-3511

Industrial Drive
GROVE CITY, PA 16127
(412) 458-5501

Cranberry Mall
CRANBERRY, PA 16316
(814) 677-7422

TYPE OF TRANSACTION	LOCATION
CASH SALE	CURWENSVILLE
NOT RESPONSIBLE FOR LOAD DAMAGE	

SOLD TO:

SHIP TO:

Little

TAKE

INVOICE NO.

CUST CODE	SEQ. NO.	TIME
10000009	374725	16:59

TRANS. NO.	TRANS. DATE	STR. NO.	S'MAN	WRT. BY	OPER. NO.
59538	81294	1	99	125	7150

DATE DEL'VD	DATE WANTED

REFERENCE NO.	P.O. NO.	JOB NUMBER	ESTIMATE NO.	LOT NO.	SALESMAN
					BRIAN BICKEL COUNTE

ITEM NO.	QUAN. ORD.	QUAN. SHIP	DESCRIPTION	UNITS	PRICE / UNIT	EXTENSION
12KX3 593930	75 2	75 2	1/2" - 4 X 8 GAL NOTE 435-743 CARPENTER'S PENCILS	75.00 2.00	4.750/PC .590/EA	356.25 1.18
<i>PK</i>						
<i>PAID Discover</i>						

WE WILL BE GLAD TO ASSIST IN LOADING YOUR ORDER, HOWEVER, WE ARE NOT LIABLE FOR IMPROPER LOADING DAMAGE.

SUB-TOTAL	TAX %	TAX AMOUNT	TOTAL
362.13	.00 800	21.73	383.86

WE CANNOT GUARANTEE PRICES ON THIS INVOICE UNLESS MATERIAL IS PICKED UP WITHIN 10 DAYS OF INVOICE DATE. All merchandise must be checked when received. No claims for shortages will be allowed after 24 hours of delivery. Material returned in good condition will be credited, but subject to a 10% charge to cover cost of handling. NO MATERIAL MAY BE RETURNED AFTER 30 DAYS. Parties receiving an estimate will please examine the same carefully as we agree to furnish only the articles herein. Errors in extensions, omissions and footings are subject to corrections. A finance charge of 1 1/2% PER MONTH = APR 18% will be added to any unpaid balance past 30 days.

I RECEIVED THE ABOVE MATERIAL IN GOOD CONDITION

[Signature]

Cavalier Do-it-center

1249 MAIN STREET
P.O. BOX 234

BROCKWAY, PA 15824

PHONE: (814) 268-3555 FAX: (814) 265-8483

INVOICE

INVOICE DATE	INVOICE NO.	PAGE
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S
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S
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O

CAVIER LETTER
705-0570 WORK
ARRIVE BETWEEN 12-1 PM

ORDER NO.	ORDER DATE	CUSTOMER NO.	SALES- PERSON	PURCHASE ORDER NUMBER	SHIP DATE	SHIP VIA TERMS
500 07102/PA	08/08/96	000000				

QUANTITY		ITEM NUMBER	ITEM DESCRIPTION	UNIT PRICE	PER UNIT	AMOUNT
ORDERED	SHIPPED					
12		*MISC	UNDERSON 603 TERRAZONE WINDOWS W/SCREENS TRUCKLOAD PRICING MATERIAL MUST BE PAID FOR IN FULL BEFORE DELIVERY OF MATERIAL!	438.43 EA		5,261.16
<p>Check NO. 8683 Paid in full Balance upon <i>del</i> Delivery!</p>						

Rec'd. by X

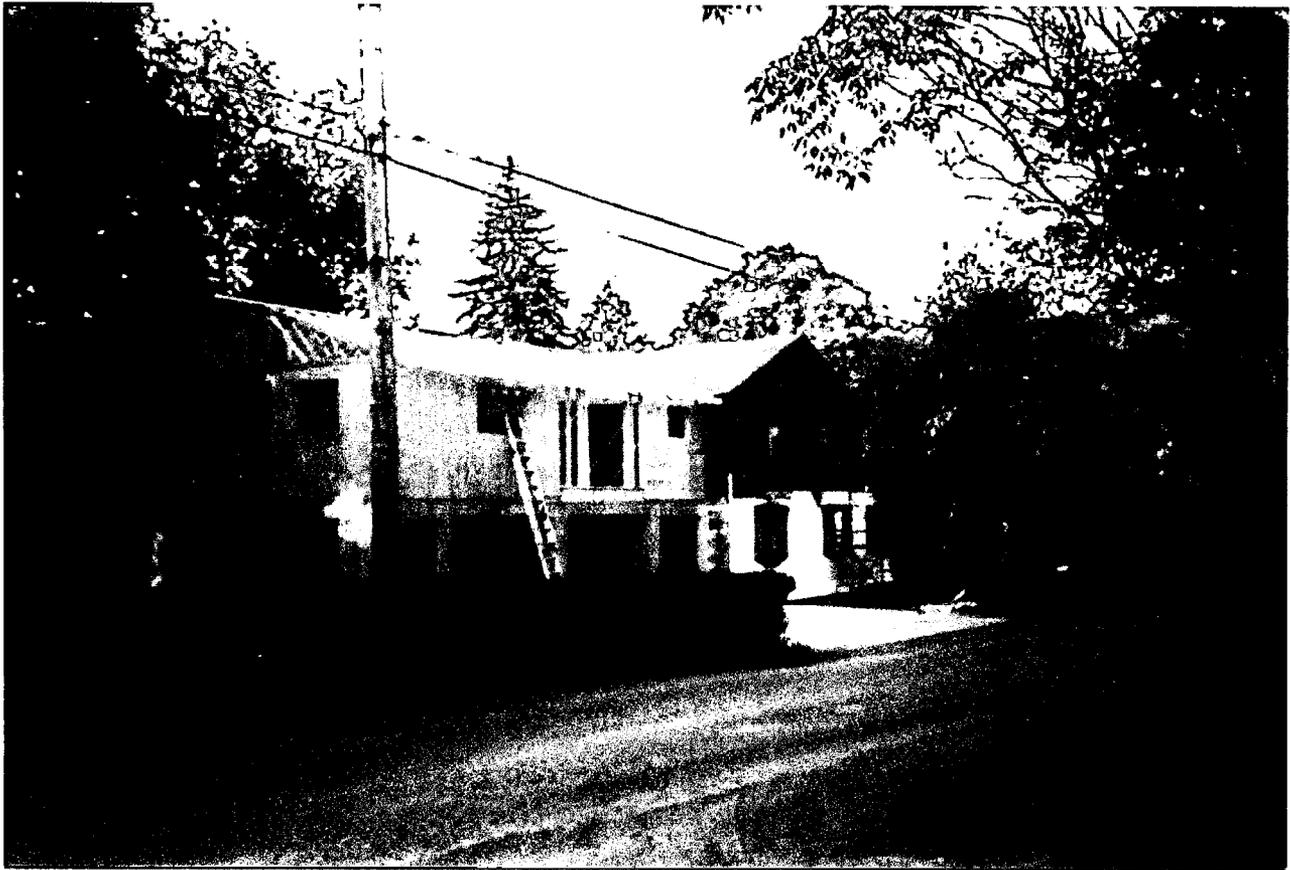
500 1 Rec'd: 8 Ship: 3

***** ORDER *****

Finance charge will be computed at a single monthly rate of 1 1/2%, which is an annual percentage rate of 18%. This charge will be added to all balances that are unpaid after 30 days. No returns after 30 days.

NOT RESPONSIBLE FOR DAMAGE BEYOND CURBSIDE DELIVERY.

Sale amount	5,204.16
Sales tax	312.25
Total	5,516.41
Deposit rec'd.	2,000.00
Balance due	3,516.41



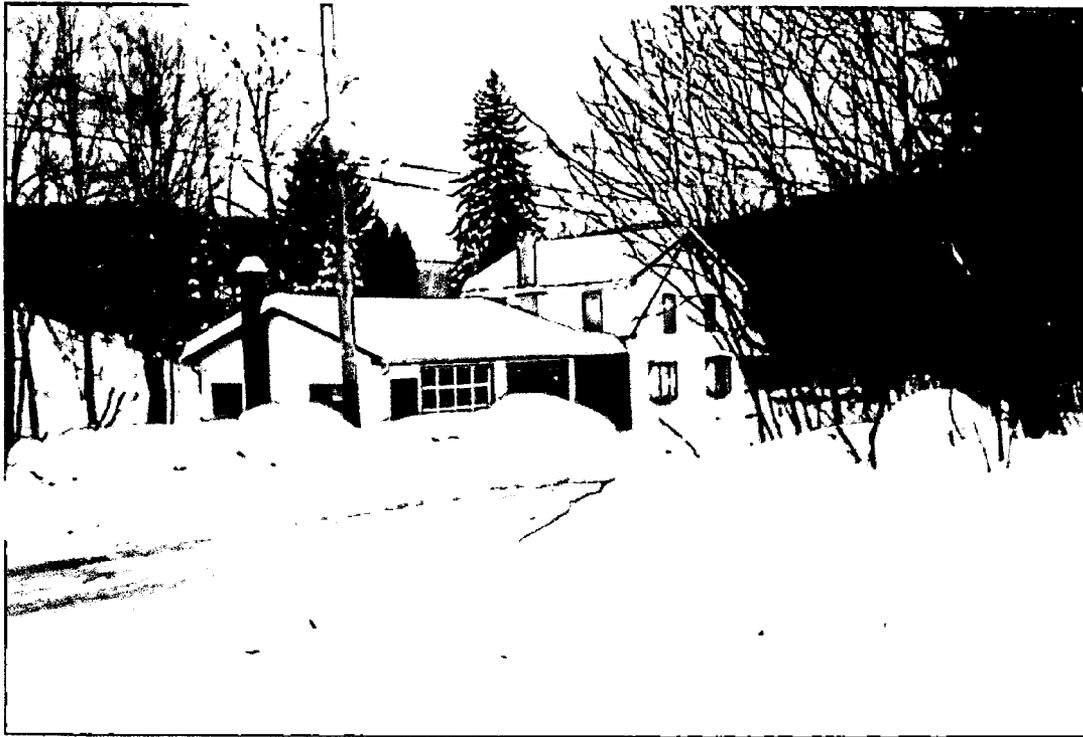
FRIGAD-Beyonce, N. J.
**DEFENDANT'S
EXHIBIT**
16



PERICLO-Sayonne, N. J.
**DEFENDANT'S
EXHIBIT**
15



FENCAD-Beyonne, N. J.
**DEFENDANT'S
EXHIBIT**
14



PERC/D-Byronne, N. J.
**DEFENDANT'S
EXHIBIT**
13

08/03/2000
10:09

Claims Management System
Other Than Auto Property Damage

CSPP038B
Page: 2

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Req: JONES ,M
Clm: 010110064845

Claimant Owner Information

Clmt: 002

Owner:		Type:	-	-	Ext:
	VIC DESANTIS	Hours:	to		
Addr:		Contact:			
		Type:	-	-	Ext:
City:		St: PA	Hours:	to	
Zip:	- -	Contact:			
County/Province:		Type:	-	-	Ext:
Country:		Hours:	to		
		Contact:			

Property Damage:

X

NATIONWIDE POLICY NUMBER-54PR042008
BETH O'SULLIVAN (412-283-4000) CLAIM NO 54PR838672

Claimant Vehicle Information

Claimant Vehicle:

	VIN:	Est:		Sal:	
Location:		Type:	-	-	Ext:
		Hours:	to		
Addr:		Contact:			
		Type:	-	-	EXT:
City:		St:	Hours:	to	
Zip:	- -	Contact:			
County/Province:		Type:	-	-	Ext:
Country:		Hours:	to		
		Contact:			

Insurer Information

Claim: 54PR838672

Policy:

Insurer:

	NATIOWIDE	Type:	-	-	Ext:	
Addr:	ATTN: BETH SULLIVAN	Hours:	to			
	P.O. BXO 511	Contact:				
City:	BUTLER	St: PA	Type:	-	-	Ext:
Zip:	016003 - -	Hours:	to			
County/Province:		Contact:				
Country:		Type:	-	-	Ext:	
		Hours:	to			
		Contact:				

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 17
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138 Opr: DAT
Refer to: C161

Clmt: SUB 002

Date: 03/18/1996

Summary: POST FX,SEND 001 DED

Details: 1.POST FX,25,000.00
2.SEND 001,100.00 DED REIMBURSEMENT
DAT

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 18
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to:

Opr: DAT

Clmt: SUB 002

Date: 03/11/1996

Summary: RELEASE REC,SIGNED & RETURNED TO NATIONWIDE

Details: 25,000.00,DAT

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 19
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to:

Opr: DAT

Clmt: SUB 002

Date: 03/07/1996

Summary: CALLED 02/ADVISED WILL TAKE 25,000.00 LIMITS

Details: BETH O'SULLIVAN,NATIONWDIE TO SEND GENERAL RELEASE.DAT

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 20
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to: H138

Opr: DAT

Clmt: SUB 002

Date: 03/07/1996

Summary: 02 OFFERING THEIR POLICY LIMITS OF 25,000.00

Details: MARK,I SPOKE TO BETH O'SULLIVAN OF NATIONWIDE YESTERDAY.SHE HAS
REVIEWED HER FILE AND CAN OFFER US THE POLICY LIMITS OF 25,000.00
WITH A GENERAL RELEASE.DAT

OK. MJS

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 21
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to:

Opr: DAT

Clmt: SUB 002

Date: 03/06/1996

Summary: SPOKE TO 02 ON SUB,SHE IS REVIEWING

Details: DISCUSSED WITH BETH O'SULLIVAN AT NATIONWIDE,SHE IS REVIEWING FILE NOW.SHE HAS TO DISCUSS WITH HER MANAGER.SHE ADVISED IF WE COULDN'T AGREE WE MAY HAVE TO GO TO SUIT.ADVISED HER I WOULD ACCEPT THEIR 25,000.00 LIMITS AS I KNOW THERE IS DEPRECIABLE ITEMS AND IF THIS ENDED UP WITH ATTY,THEY WOULD TAKE 1/3.WILL AWAIT HER FINAL REVIEW AND RESPONSE.DAT

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 22
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to:

Opr: DAT

Clmt: SUB 002

Date: 03/05/1996

Summary: CALLED 02 ON STATUS OF SUB

Details:

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 23
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to:

Opr: DAT

Clmt: SUB 002

Date: 02/27/1996

Summary: CALLED 02,LEFT MESS TO CALL ON SUB STATUS

Details:

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 24
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to: C30H

Opr: DAT

Clmt: SUB 002

Date: 02/21/1996

Summary: NEED PAPER FILE FOR SUB

Details: NANCY,I HAVE CHECKED SHELF AND STOCK ROOM,COULD NOT LOCATE THIS FILE.
I NEED IT FOR SUB.THANKS,DATHORESON

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 25
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to:

Opr: DAT

Clmt: SUB 002

Date: 02/06/1996

Summary: CALLED 02,OUT OF OFFICE,LEFT MESS TO CALL ME

Details: LEFT MESS FOR BETH O'SULLIVAN

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 26
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: C161
Refer to:

Opr: L4P

Clmt: SUB 002

Date: 12/07/1995

Summary: CL106A SENT TO NATIONWIDE INSURANCE

Details:

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 27
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138 Opr: DAT
Refer to: C161

Clmt: SUB 002

Date: 12/05/1995

Summary: SEND CL106A

Details: TO NATIONWIDE,ATTN: BETH O'SULLIVAN,P.O. BOX 511,BUTLER,PA 16003,
C-VICTOR DESANTIS,CLAIM NO. 54PR838672
20504.88 COLL
1918.12 COLL
24448.96 COLL
100.00 DED
46971.96 TOTAL LOSS
CC:FILE
DTHORESON

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 28
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to:

Opr: DAT

Clmt: SUB 002

Date: 12/05/1995

Summary: DISC SUB W/002 CARR,DO NOT HAVE OUR SUPPORTS

Details: SPOKE TO BETH O'SULLIVAN AT NATIONWIDE,SHE DISCUSSED WITH SUPVR AND
THEY HAVE CONCERNS ABOUT WHAT IS AND ISN'T COVERED UNDER THEIR POLICY
. ALSO,THEY HAVE A 25,000.00 PD LIMIT.I AM GOING TO HAVE SUB PAPER-
WORK SENT TO HER TO REVIEW AND SHE WILL THEN ADVISE ACCORDINGLY.DAT

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 29
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to:

Opr: DAT

Clmt: SUB 002

Date: 11/27/1995

Summary: SPOKE TO BETH AT NATIONWIDE, SHE HAS CLAIM

Details: UNDER CLAIM NUMBER 54PR838672, HOWEVER CLAIM HAS BEEN REMOVED TO
INACTIVE AND SHE WON'T BE ABLE TO GET UNTIL THUR 11/30, GAVE HER OUR
INFO AND SHE IS TO CALL ME BACK.

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 30
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to:

Opr: DAT

Clmt: SUB 002

Date: 11/24/1995

Summary: ADJUSTED RESERVE TO REFLECT ALL PAYMENTS

Details:

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 31
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to:

Opr: DAT

Clmt: SUB 002

Date: 11/24/1995

Summary: CALLED NATIONWIDE,CLOSED

Details: FOUND 2 ADJUSTER NAMES IN FILE,PAUL KAUFMANN AND BETH O'SULLIVAN
.O'SULLIVAN IS LISTED OUT OF BUTLER OFFICE.CALLED,OFFICE CLOSED TIL
11/27 WILL RECALL ON MONDAY.DAT

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 32
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: E257 Opr: M2S
Refer to: H138

Clmt: SUB 001

Date: 11/24/1995

Summary: SUB STATUS

Details: DEB, NO ACTIVITY FOR 4 MONTHS. YOU NEED TO DO SOMETHING. WE HAVE A
SIZABLE CLAIM HERE, AND THE OLDER IT GETS, THE MORE DIFFICULTY WE'LL
HAVE PROVING OUR CASE. MJS

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 33
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to: H138

Opr: DAT

Clmt: SUB 002

Date: 07/13/1995

Summary: NATIONWIDE HAS NO REPORT FOR 002/DESANTIS

Details: CALLED AND SPOKE TO SUE AT NATIONWIDE CLAIMS. SHE RAN POLICY, IT IS A CONTRACTORS LIABILITY POLICY, HOWEVER THEY HAVE NO CLAIMS REPORTED SINCE, 12/92, ADJUSTER A129 INDICATES THAT HE SENT LETTERS TO NATIONWIDE HOWEVER THEY HAVE NOTHING AND THERE IS NOTHING IN OUR PAPER FILE. DAT
DEB, EARLIER NOTES INDICATE THAT A NATIONWIDE ADJUSTER INSPECTED THE LOSS EARLY IN THE LIFE OF THIS CLAIM. PLEASE CONTACT SUE AND FIND OUT IF THEY HAVE AN ADJUSTER BY THE NAME AS REPORTED IN THE EARLIER NOTES. MJS

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 34
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138 Opr: DAT
Refer to: A129

Clmt: SUB 002

Date: 06/21/1995

Summary: RESPONSE FROM NATIONWIDE,COPY OF LETTER?

Details: JOE,DO YOU HAVE COPY OF LETTER WHICH YOU SENT TO NATIONWIDE?THERE
IS NOTHING IN FILE.WHO IS THEIR ADJUSTER AND HAVE YOU HAD ANY
RESPONSE??
DATHORESON

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 35
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: H138
Refer to:

Opr: DAT

Clmt: SUB 002

Date: 05/02/1995

Summary: REC FOR SUB,ADJ INDICATED LTR SENT TO 002

Details: CARRIER,WILL AWAIT RESPONSE.DAT

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 36
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: E574 Opr: VYY
Refer to: E257

Clmt: DY 001

Date: 05/01/1995

Summary: SUB LETTER SENT

Details: ASSIGN ONE OF YOUR SUB SPEC

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 37
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to: E574

Opr: JVO

Clmt: DY 001

Date: 05/01/1995

Summary: SUB LETTER SENT TO NATIONWIDE INS. COM. ON

Details: THIS LOSS. SENDING COPIES TO YOUR ATTENTION. DIARY TWO WEEKS FOR
RESPONSE. LETTER DATED 4-29-95.

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 38
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: E574 Opr: VYY
Refer to: A129

Clmt: DY 001

Date: 03/28/1995

Summary: WHAT IS STATUS

Details: BRING FILE TO DATE

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 39
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: E574
Refer to: A129

Opr: VYY

Clmt: DY 001

Date: 03/10/1995

Summary: HAVE YOU SENT INITIAL SUB LETTER TO N.W.

Details:

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 40
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: C78J
Refer to:

Opr: P1J

Clmt: INV 999

Date: 02/23/1995

Summary: NOTICE OF RESERVE CHANGE SENT TO AGT. TS

Details:

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 41
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: C71J
Refer to: C78J

Opr: DDD

Clmt: INV 001

Date: 02/22/1995

Summary: NOTICE TO AGENT AA4234 LINE CHARGE 233/WD

Details: FROM 3100 TO 25,000.00. HIDDEN DAMAGES WHILE UNDER CONSTRUCTION AND
THE KITCHEN CABINETS COULD NOT BE REFACED, NOR COULD THEY BE MATCHED
SO THEY HAVE TO BE REPLACED.

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 42
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: E574
Refer to: C71J

Opr: JVO

Clmt: INV 001

Date: 02/17/1995

Summary: JOE, I HAVE TO DO A NOTICE TO AGENT BECAUSE

Details: OF THE RESERVE AND AND I MUST HAVE A REASON WHY IT IS BEING CHANGED TO THE AMOUNT REQUESTED. PLEASE ADVISE ME OF THE REASON, SO I CAN DO A NOTICE TO AGENT REQUEST. THANKS DIANE
DIANE, THE DAMAGES TO THE HOME WERE FOUND TO BE MORE THAN FIRST ORIGINALLY EXPECTED. THE HIDDEN DAMAGE AND THE DAMAGES FOUND OUT DURING CONSTRUCTION CAUSED THE INCREASE IN RESERVES. PLUS, THE CABINETS THAT WERE FIRST THOUGHT TO BE ABLE TO REFACE, COULD NOT BE MATCHED CAUSING A LARGE INCREASE IN THE DAMAGES.

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 43
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: E574
Refer to:

Opr: VYY

Clmt: INV 001

Date: 02/17/1995

Summary: RECEIVED A CALL FROM ADJUSTER, JOE BUCEK

Details: REQUESTING THE DWELLING RESERVE TO BE CHANGED TO 21,000 AND TO PUT UP
A ALE RESERVE OF 4,000. DONE DLD

08/03/2000
10:09

Claims Management System
File Note Detail Print

CSPP064B
Page: 44
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to: E574

Opr: JVO

Clmt: DY 001

Date: 02/13/1995

Summary: VERN, A MEETING HAS BEEN SET UP TO SETTLE

Details: THE REMAINING DAMAGES FOR TUES. 2-14-95 AT 1:00PM. I WILL MOVE TO SETTLE THE ADDED PRICE FOR THE DAMAGES TO THE HOME, AND CONCLUDE FOR SUB PURPOSES. DIARY TWO WEEKS FOR SUB LETTER AND RESPONSE.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 45
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to: E574

Opr: JV0

Clmt: DY 001

Date: 01/24/1995

Summary: MEETING SET WITH CONTRACTOR AND (A) FOR

Details: FRIDAY 1-27-95 AT 5:00PM TO SETTLE ALL DAMAGES AND TO GET INFO TO
NATIONWIDE INS. CO. FOR SUB. WILL PLACE NOTES IN FILE AFTER MEETING.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 46
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: E574
Refer to: A129

Opr: VYY

Clmt: DY 001

Date: 01/16/1995

Summary: STATUS PLEASE NOTE FILE

Details:

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 47
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to: E574

Opr: JVO

Clmt: DY 001

Date: 12/12/1994

Summary: MEETING WITH (A) AND CONTRACTOR SET FOR

Details: THURSDAY OF THIS WEEK. I WILL MOVE TO SETTLE THE HOLDBACK AND TO
SEND EVERYTHING FOR SUB. DIARY ONE WEEK.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 48
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: C78J
Refer to:

Opr: P1J

Clmt: GEN 001

Date: 11/22/1994

Summary: PILR SENT TS.

Details:

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 49
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: C71J Opr: DDD
Refer to: C78J

Clmt: GEN 001

Date: 11/11/1994

Summary: PLEASE DO PILR. POLICY AMT 90,000/67,500

Details: ESTIMATE 25,000/WATER DAMAGE/ADJUSTER JOE BUCEK.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 50
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to: E574

Opr: JVO

Clmt: DY 001

Date: 11/11/1994

Summary: THE ONLY THING REMAINING IN THIS CASE, IS THE

Details: CABINETS THAT ARE STILL ON ORDER. (A) EXPECTS TO GET BACK INTO THE HOUSE TODAY, EVEN THOUGH THE CABINETS ARE NOT FINISHED. I WILL REPORT ON THE PROGRESS OF THIS REMAINING ITEM, AND FOLLOW WITH HOLDBACK ONCE REPAIRS COMPLETED.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 51
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to: A129

Opr: JV0

Clmt: DY 001

Date: 11/01/1994

Summary: ALE INFO FROM (A).

Details: I HAVE REC. THE FIRST BATCH OF RECEIPTS FOR THE ALE FOR (A). THIS INCLUDES THE HOTEL THAT THEY ARE STAYING, AND THE FOOD PURCHASED. I HAVE ALLOWED OVER THE 100.00 PER WEEK ALLOWANCE THAT (A) WOULD NORMALLY HAVE, AND WILL PAY THEM THE DIFFERENCE OVER THAT AMT PER WEEK. THE HOTEL RATE IS VERY GOOD. THE RATE IS ONLY 25.00 PER DAY. FOR THE FIRST MONTH, THE BILL IS 750.00 FOR THE HOTEL, AND FOR THE FOOD UP TO 10-21-94, THE BILL COMES TO 1168.12. THAT IS CLOSE TO THREE MONTHS OF FOOD. CONSTRUCTION IS ALMOST COMPLETED. I EXPECT (A) TO BE BACK IN THEIR HOME BY MID NOV. THE TOTAL FOR THE ALE TO DATE COMES TO 1918.12. I WILL ISSUE CHECK TO (A). I WILL FOLLOW UP WITH THE REST OF THE ITEMS WHEN COMPLETED.
JOE-- ON FOOD THE ALE IS THE DIFFERENCE IN COST BETWEEN WHAT ITB NORMALLY COST THEM AT HOME VS. THE COST AWAY FROM HOME-- WE DO NOT PAY ALL THE COST AWAY FROM HOME-- THEY DO GENERATE SOME COST AT HOME BUT I AGREE NOT WHAT THEY SPEND OUT

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 52
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to: E574

Opr: JVO

Clmt: DY 001

Date: 10/28/1994

Summary: I HAVE BEEN IN CONTACT WITH (A).

Details: THEY ARE SENDING TO MY ATTN. THE ADD LIV. EXP. TO DATE. ONCE SECURED
I WILL REV. AND ISSUE CHECK. (A) SHOULD BE BACK INTO HOME BY THE
FIRST WEEK OF NOV.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 53
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to: E574

Opr: JVO

Clmt: DY 001

Date: 10/11/1994

Summary: I HAVE CONTACTED CONTRACTOR AND (A) RELATIVE

Details: TO THE PROGRESS OF THE REPAIRS. THE ONLY THING THAT IS HOLDING EVERYTHING UP IS THE CABINETS, WHEN THEY WILL ARRIVE. CONTRACTOR STATES THAT THE CABINETS WERE CUSTOM MADE FOR SIZE, AND WILL COST MUCH MORE THAN ORIGINALLY ANTICIPATED. HE WILL TALK TO (A) TO SEE IF THEY WILL TAKE STANDARD SIZE CABINETS, AND CONTR. WORK AROUND TO FIT IN. THEY WILL GET BACK TO ME AS TO THE STATUS OF THIS. I WILL DIARY ONE WEEK TO FOLLOW UP.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 54
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to: E574

Opr: JV0

Clmt: DY 001

Date: 09/12/1994

Summary: I HAVE SPOKEN TO CONTRATOR, RICHARDS CONST.

Details: HE STATED THAT THEY ARE ABOUT THREE WEEKS FROM FINISH OF THIS JOB.
THEY HAVE ALL THE WALLBOARD UP, AND WAITING FOR PLASTERING TO START.
THEY WILL CONTACT ME WHEN JOB IS NEAR COMPLETION. DIARY 30 DAYS.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 55
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: E574 Opr: VYY
Refer to: A129

Clmt: DY 001

Date: 09/12/1994

Summary: STATUS

Details:

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 56
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to:

Opr: JV0

Clmt: DY 001

Date: 08/29/1994

Summary: CONTACT WITH CONTRACTOR. STATES THAT HE HAS

Details: ABOUT 40% OF THE JOB COMPLETED. WHEN IT HAS BEEN COMPLETED ABOUT 75%
HE WILL CONTACT ME TO LET ME KNOW. I WILL DIARY AHEAD TWO WEEKS WITH
HOPES OF CONCLUSION BY THIS TIME.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 57
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to: E574

Opr: JVO

Clmt: DY 001

Date: 08/16/1994

Summary: MEETING WITH (A) AND CONTRACTOR WENT VERY

Details: WELL. (A) WILL BE MOVING OUT FRIDAY OF THIS WEEK, AND REPAIRS WILL START ON MONDAY 8-22-94. THE TOTAL DAMAGES AGREED UPON WITH RICHARDS CONSTRUCTION CAME TO 20,500.00. I WAS ABLE TO REDUCE THE EST FROM THE ORIGINAL OF 21,449.00 TO THE ABOVE FIGURE. THE MOVING OUT COST EST HAS BEEN AGREED UPON AT 4,204.88. THIS AMT INCLUDES STORAGE OF THE FURNITURE WHILE CONSTRUCTION IS GOING ON, AND FOR MOVING BACK IN-TO THE PREMISES. I WILL ISSUE A CHECK FOR THE AMT OF THE DAMAGES, AT 80% OR 16,400.00, AND ADD THE MOVING EXP ONTOP OF THAT, AND LESS (A) DED.OF 100.00. THE CHECK WILL BE MADE PAYABLE TO (A) AND THE MTG. THE CHECK AMT WILL BE FOR \$20,504.88.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 58
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to:

Opr: JVO

Clmt: DY 001

Date: 08/15/1994

Summary: APPT WITH (A) TO FINALIZE EST AND MOVING OUT

Details: EXPENSES, TODAY AT 5:30PM. ONCE THE COST ARE FINALIZED, WILL ISSUE
DRAFT, AND FOLLOW WITH REPAIRS..

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 59
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to:

Opr: JVO

Clmt: DY 001

Date: 08/05/1994

Summary: CONTACT (A). SHE WILL GET EST FOR MOVING THE

Details: FURNITURE OUT OF THE HOME WHILE CONSTRUCTION IS TAKING PLACE. ONCE THIS IS SECURED, A MEETING WILL BE SET UP TO SCHEDULE THE START OF THE WORK ON (A)'S HOME. I WILL DIARY ONE WEEK, WITH HOPES OF STARTING OF THE REPAIRS TO (A)'S HOME BY THAT TIME.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 60
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to: E574

Opr: JVO

Clmt: DY 001

Date: 07/29/1994

Summary: I HAVE REC. CONTRACTORS EST FOR THE DAMAGES

Details: TO (A)'S HOME. THE EST IS FOR CLOSE TO 22,000.00. AS I SET FORWARD IN MY PREVIOUS NOTES, THE DAMAGE IS QUITE EXTENSIVE. I AM CURRENTLY WORKING WITH THE INSURED AND THE CONTRACTOR TO GET SOME ITEMS COMPLETED, AND SOME THINGS CLEARED UP. THIS INCLUDES IF IT WILL BE NECESSARY TO HAVE (A) OUT OF THE HOUSE WHILE THE REPIARS ARE BEING DONE. ALSO, THE FURNITURE, IF IT WILL NEED TO BE MOVED OUT OF THE HOUSE WHILE REPAIRS ARE BEING AFFECTED. I WILL ADDRESS THESE ITEMS IN MY NEXT NOTES WHEN COMPLETED. I AM DIARYING MY FILE ONE WEEK.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 61
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to:

Opr: JV0

Clmt: DY 001

Date: 06/16/1994

Summary: ATTEMPT TO CONTACT NATIONWIDE INS.

Details: ATTEMPTED TO CONTACT NATIONWIDE INS. LINE WAS BUSY.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 62
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to:

Opr: JV0

Clmt: DY 001

Date: 06/16/1994

Summary: SPOKE TO A

Details: SPOKE TO MRS A TODAY RELATIVE TO CASE. SHE INDICATED THAT THE NATIONWIDE ADJ. MR. PAUL KAUFMANN HAD BEEN THERE TO INSPECT THE DAMGS HE HAD TAKEN MY ADDRESS AND INDICATED TO MRS A THAT HE WOULD ATTEMPT TOGET AHOLD OF ME. WATER STILL COMING INTO HOME. TOLD A THAT SHE IS TO GET ON CONTRACTORS BUTT TO HAVE THEM FINISH THE JOB. I INDICATED T O MRS A THAT I WOULD NOT REPAIR THE INTERIOR DAMAGES UNTIL THE ROOF IS ON HER LOCATION, A TOTALLY AGREED WITH THIS. SHE IS GETTING ANOTHE R CONTRACTOR'S BID FOR INTERIOR DAMAGES. I TOLD MRS A THAT I WOULD ATTEMPT TO CONTACT NATIONWIDE TO SEE WHAT THERE INTENTIONS ARE. SHE WILL LET ME KNOW WHEN SHE GETS CONTRACTORS EST.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 63
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: A129
Refer to:

Opr: JVO

Clmt: DY 001

Date: 06/14/1994

Summary: INSPECTION OF A'S PROPERTY

Details: INSPECTION OF A'S PROPERTY TOOK PLACE ON 6-13-94. DAMAGE CONSISTED OF THE FIRST FLOOR KITCHEN 12 X 10 CEILING WITH SOME CABINET DAMAGE AND FLOORING DAMAGE, DINING ROOM DAMAGE 12 X 12 DAMAGE TO THE CEILING AND CARPETING AND WALLPAPER, LIVING ROOM 12 X 18 DAMAGE TO CEILING AND WALLPAPER, SECOND FLOOR BATH 6 X 9 CEILING, SEWING ROOM 8 X 12 CEILING AND WALLS, MASTER BEDROOM 9 X 16 CEILING DAMAGE AND SPARE ROOM 11 X 12 CEILING DAMAGE AND WINDOW FRAMING DAMAGE. A INDICATE THAT THE INSURANCE CO FOR THE CONTRACTOR VIC DESANTIS, IS NATIONWIDE INS CO MRS A INDICATED THAT THE ADJUSTER WAS TO BE AT HER LOCATION 6-10-94, AT THE LATEST 6-11-94. SHE HAS HEARD NO RESPONSE TO DATE FROM NATION PER OUR DISCUSSION WITH SUP, WE WILL ATTEMPT TO GET NATIONWIDE TO HANDLE THIS. IF THEY WISH US TO HANDLE, WE WILL SUBROGATE. WE TOLD A THAT AS SOON AS NATIONWIDE CONTACTS HER, SHE IS TO CALL US TO GIVE US NAME OF ADJUSTER, AND TO FIND OUT WHAT NATIONWIDE PLANS ON DOING.

08/03/2000
10:10

Claims Management System
File Note Detail Print

CSPP064B
Page: 64
Req: JONES ,M

Pol: Q56 2202573 Ins: LEROY J LITTLE &

Clm: 010110064845

Adj: E574 Opr: VYY
Refer to: A129

Clmt: DY 001

Date: 06/13/1994

Summary: PREPARE FOR SUB

Details:

08/03/2000
10:10

Claims Management System
Print Options Exception List

CSPP065B

Page: 1

Pol: Q56 2202573
D/L: 06/06/1994

Ins: LEROY J LITTLE &
Day: Monday

Time: 0000

Req: JONES ,M
Clm: 010110064845
Cat:

Option

Reason not printed

Injury
Witnesses

Nothing found for this claim
Nothing found for this claim

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA

LEROY J. LITTLE and
CAROL LITTLE,
Plaintiffs

-vs-

ERIE INSURANCE EXCHANGE, a
licensed reciprocal insurance
exchange,
Defendant

CIVIL DIVISION

No. 00-729 C.D.

Type of Pleading:

Defendant's

Memorandum of Law

Filed on Behalf of:

DEFENDANT

Counsel of Record for this Party:

Matthew B. Taladay, Esquire
Supreme Court No. 49663
Hanak, Guido and Taladay
498 Jeffers Street
P.O. Box 487
DuBois, PA 15801
(814) 371-7768

IN THE COURT OF COMMON PLEAS
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

LEROY J. LITTLE and :
CAROL LITTLE, :
Plaintiffs :
-vs- : No. 00-729- C.D.
ERIE INSURANCE EXCHANGE, a :
licensed reciprocal insurance :
exchange, :
Defendant :

DEFENDANT'S MEMORANDUM OF LAW

The relationship between the Plaintiffs and Defendant in this case is solely contractual. This relationship is governed by the terms of the Insurance Agreement submitted as Defendant's Exhibit 1. This policy contains an "integration" clause which provides:

This policy and all endorsements to it constitute the entire agreement between you and us.

Accordingly, the claim by Plaintiffs and against Defendant must, of necessity, be in the nature of breach of contract. It is incumbent upon Plaintiffs to prove that Defendant has violated some express or implied term of the Insurance Agreement to Plaintiffs' detriment.

ERIE Insurance was contacted by the Littles with regard to a water loss resulting from a rain event of June 6, 1994. This was a claim for damage to the existing structure which occurred when Victor DeSantis removed a portion of the roof of the existing structure and did not make provision for keeping out heavy rain. ERIE

Insurance Exchange paid in full all claims of LeRoy and Carol Little payable under the policy in the amount of approximately \$47,000.00.

Following its payment of the Littles' claim, ERIE Insurance Exchange chose to directly asserts its subrogation claim against Nationwide Insurance, the carrier for Vic DeSantis.

The principle of legal subrogation, otherwise known as equitable subrogation, is recognized by Pennsylvania courts as the right of an entity who discharges an obligation owed by another under such circumstances that the other would be unjustly enriched by the retention of the benefit thus conferred. *Gladowski vs. Felczak*, 31 A.2d 718 (Pa. 1943) quoting *Restatement of Restitution* 162 (1937). Generally when an insurance policy is obtained by an insured, the insured gives the insurer a right of subrogation. *McDaniel vs. Rexnord, Inc.*, 537 A.2d 365, 367 (Pa.Super. 1988).

In the present case, ERIE Insurance exchange chose to proceed directly, and on its own behalf, against Nationwide. This right to direct subrogation is set forth in Pa.R.C.P. Rule 2002(d). This rule clearly establishes the insurer/subrogee, the option of either being named plaintiff on its own behalf or having the insured/subrogor named as the plaintiff. See *Pa.R.C.P. 2002(d)*, 42 Pa.C.S., *Beechwoods Flying Service, Inc. vs. Al Hamilton Contracting Corp.*, 464 A.2d 440 (Pa.Super 1983).

It is beyond dispute that ERIE had the right to submit its subrogation claim directly to Nationwide. Both of these insurance companies are parties to an inter-company arbitration agreement. Under the terms of this agreement, the participating insurers agree to

waive their right to suit, and in the alternative submit all disputed claims for arbitration.

Presently, there was no necessity for arbitration in that Nationwide agreed to pay ERIE its policy limit of \$25,000.00 in full settlement of ERIE's subrogation claim. Because ERIE had the right to independently and in its own name prosecute its claim against Nationwide, it also exercised its right to release this claim.

Accordingly, ERIE Insurance Exchange executed a Release of its subrogation claim arising out of the loss of June 6, 1994. A copy of that Release has been submitted as Defendant's Exhibit 2.

It must be noted that the Release makes specific reference to the "PROPERTY DAMAGE CLAIM" arising out of the occurrence of June 6, 1994. This Release is signed by Debra Thoreson, a Subrogation Specialist for ERIE Insurance Exchange. There is no indication that the signature of Ms. Thoreson is in any capacity other than a representative of ERIE Insurance Exchange. The Release was signed on March 11, 1996 whereupon ERIE collected Nationwide policy limits and remitted to the Littles their \$100.00 deductible.

Vic DeSantis did no remedial work relative to the Littles' water loss damage to the existing structure. However, even after the rain loss event of June 6, 1994, Mr. DeSantis continued to work on the garage addition to the structure. However, DeSantis left before completing the job.

Subsequently Vic DeSantis filed a district justice action against the Littles in August, 1994, seeking unpaid monies for work performed. This resulted in default judgment which was ultimately appealed to the Court of Common Pleas of Clearfield County.

A complaint against LeRoy and Carol Little was filed on January 12, 1995. However, LeRoy and Carol Little did not file an Answer and Counterclaim to the Complaint until July of 1997. On or about August 5, 1997, Counsel for Vic DeSantis, John Foradora, filed Preliminary Objections to Plaintiffs' Counterclaim asserting that the Release executed by ERIE Insurance Exchange precluded Plaintiffs' Counterclaim.

By correspondence of November 26, 1997, Attorney Chris Pentz, counsel for LeRoy and Carol Little, requested information from ERIE Insurance Exchange concerning the Release. By reply correspondence dated December 18, 1997, Mark Swanseger advised Attorney Pentz that the terms of the Release were limited specifically to the water loss claim paid by ERIE Insurance and were limited to subrogation of ERIE's payments in that regard. A copy of this letter is submitted as Defendant's Exhibit 4.

It is significant to note that counsel for LeRoy and Carol Little made no further effort to obtain information from ERIE Insurance Exchange regarding the terms of ERIE's subrogation settlement. No documents were subpoenaed, no witnesses were called for deposition or live testimony, in fact no effort whatsoever was made by Littles' counsel to inform the court of the facts and circumstances surrounding the Release of March 11, 1996.

It is a general principle of contract interpretation that when the terms of an agreement are ambiguous or in question their meaning may be interpreted by the facts and circumstances surrounding the formation of the agreement. *Pennsylvania Suggested Standard Civil Jury Instructions, 15.00; Pennsylvania Bar Institute,*

1991. *Hutchison vs. Sunbeam Coal Corp.*, 513 Pa. 192, 519 A.2d 385 (1986).

In the DeSantis litigation, the Littles nominally took the position that the Release of March 6, 1996 was not a general release, and that Debra Thoreson of ERIE Insurance was not acting as their agent. This presents a question interpretation of the terms of the Release. However, in defense of that position, the Littles provided the Court with absolutely no information regarding the facts and circumstances surrounding the contract.

Despite having received Mr. Swanseger's letter of December 18, 1997, counsel for Littles provided no information to the Court regarding ERIE's stated position that the Release was intended to pertain only to the subrogation claim regarding damage to the existing residence. There is no indication that the Littles' counsel made any attempt to contact Mark Swanseger or Debra Thoreson as invited by the December 18, 1997 letter.

It appears that the Littles took no action in defense of the Preliminary Objections until prompted by letter of John Foradora dated November 5, 1998, submitted as Defendant's Exhibit 5. A Brief was submitted by Attorney Foradora on behalf of Vic DeSantis forwarding the argument that the Release acted as a general waiver of the Littles' counterclaim against DeSantis. This is submitted as Defendant's Exhibit 6.

The recitation of facts set forth in the DeSantis Brief makes absolutely no reference to the property damage event caused by the June 6, 1994 rain incident. In fact, the only reference in the Brief with regard to the Release reads as follows:

On or about March 14, 1996, the defendant signed a general release, releasing plaintiff for any claim for property damage in this case.

Rather than provide the court with any information concerning the facts and circumstances surrounding the entry of the Release, including the water loss claim submitted by the Littles to their insurer, counsel for the Littles submitted a half page "Letter Brief" dated March 5, 1999 and included as Defendant's Exhibit 7. In this Brief, counsel represents, "I am in substantial agreement with the facts as outlined in Attorney Foradora's Brief."

Additionally, a Stipulation was entered into between Attorneys Foradora and Pentz, which is attached as Exhibit 8. This Stipulation is brief and self-explanatory. It contains no reference to the facts and circumstances surrounding the Release.

Because the Littles failed to provide Judge Reilly with an accurate and complete recitation of the facts and circumstances surrounding the Release, the Judge entered an Order granting the Preliminary Objection of Vic DeSantis and finding that the Release was a general release therefore barring the Littles' Counterclaim

An arbitration hearing was held on July 15, 1999, at which time the panel ruled in favor of Vic DeSantis with regard to his claim in the amount of \$1,072.39. The Counterclaim of the Littles' was denied in accordance with the prior Order of Court. The Littles did not appeal this decision and subsequently judgment was entered on or about September 24, 1999.

The Littles instituted the instant lawsuit against ERIE Insurance Exchange by Complaint dated June 12, 2000.

The facts and circumstances of this case show that ERIE Insurance Exchange has breached no obligation to its insured as set forth in the insurance contract. In fact, ERIE has honored all obligations to the Littles, including the repayment of their deductible. It is very clear that ERIE Insurance representative Debra Thoreson was absolutely authorized to present and settle the subrogation claim against Nationwide Insurance on behalf of ERIE Insurance as provided in Pa.R.C.P. 2002. This Release was in no way executed on behalf of the Littles nor was it either expressly impliedly intended to release any claims against Vic DeSantis regarding workmanship on the structure addition. By its terms, the Release was specifically limited to "property damage claim" arising out of the incident of June 6, 1994. It is undisputed that DeSantis continued to work on the Littles' property after this date.

It is important to note that ERIE would have absolutely no legal authority, expressed or implied, to waive any claims other than those specifically covered by subrogation. The agent of a company has no power to bind the company beyond the terms of the contract as written. Matovich vs. Mutual Benefit Health and Accident Assoc., 157 Pa.Super. 604, 43 A.2d 648 (1945).

The subrogation rights of ERIE and against Nationwide/DeSantis would extend only so far as the losses paid under ERIE's policy. The counterclaim by the Littles and against DeSantis stated a claim for damages due to alleged defective workmanship. The terms of the ERIE Insurance policy, however, specifically exclude any property loss: "(8) caused by, resulting from, contributed to or

aggravated by faulty or inadequate . . . (b) design, development of specifications, workmanship, construction;" (Exhibit 1, page 6)

It is clear that the property loss paid by ERIE is completely distinct, separate from, and unrelated to the workmanship claims asserted by Littles against DeSantis in their counterclaim.

It is unfortunate that the Littles and their counsel did not take the necessary steps to develop a record sufficient to allow the court to base its ruling on preliminary objections on a full and complete recitation of the facts and circumstances surrounding the Release of March 11, 1996. However, the responsibility to do so rests with the Littles rather than with ERIE Insurance Exchange.

In fact, ERIE Insurance was not given any notice whatsoever of the pending Preliminary Objections and the Court's ruling thereon until the letter of Littles' counsel dated August 5, 1999 and attached as Exhibit 9. It should be noted that this letter was not sent until several days before the arbitration appeal period was permitted to lapse. In this letter counsel expresses his decision not to appeal.

ERIE has pled the affirmative defense of *laches*. The general principle of *laches* applies to prevent recovery when a party by its own lack of due diligence fails to assert or pursue a claim, resulting in prejudice to the other party. *Silver vs. Korr*, 139 A.2d 552, 392 Pa. 26 (Pa. 1958). The question of *laches* does not depend on the fact that a definite time has past, but whether under the circumstances plaintiff is charged with want of due diligence in failing to institute or prosecute a claim. *Luther Land, Inc. vs. Dahlen*, 53 A.2d 143, 537 Pa. 143 (Pa. 1947).

Presently, it is clear that, while the Littles were well aware of the existence of the Release issue in the summer of 1997 and were advised by ERIE of the intent and circumstances surrounding the Release by letter of December 18, 1997, they nevertheless failed to take any action to present these facts and circumstances to the Court. ERIE Insurance was not requested or invited to provide documentation, testimony or input regarding the Release issue while this issue was pending before the Court. Rather than diligently defend the release issue in the case against Victor DeSantis, the Littles chose to present virtually no defense to the release claim and allow final judgment to be entered in that matter. It is submitted that the Plaintiffs' delay and the prejudice to Defendant herein are evident.

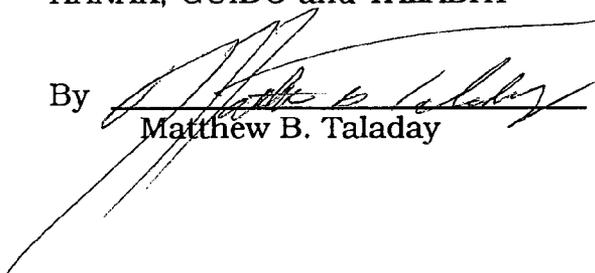
For the foregoing reasons, it is respectfully requested that the claim by Plaintiffs, LeRoy and Carol Little, and against Defendant, ERIE Insurance Exchange, be dismissed.

Respectfully submitted,

HANAK, GUIDO and TALADAY

Dated: June 13, 2002

By


Matthew B. Taladay

○ Table of Contents

1	ERIE Insurance Homeowner's Policy	
2	Release of Victor DeSantis (03/11/96)	
3	Letter of Chris Pentz to Joseph Bucek (11/26/97)	
4	Letter of ERIE Insurance to Chris Pentz (12/18/97)	
5	Letter of John Foradora to Chris Pentz (11/05/98)	
6	Brief of John Foradora (08/20/97)	
7	Letter Brief of Chris Pentz (03/05/99)	
8	Stipulation DeSantis/Little (04/22/99)	

ERIE INSURANCE GROUP is proud to present this Extracover Home Inspector Policy. This important contract between YOU and The ERIE consists of this policy with coverage agreements, limitations, exclusions and conditions, a Declarations, plus any endorsement. It is written in plain, simple terms so it can be easily understood. We urge YOU to read this policy.

This policy contains many EXTRA PROTECTION FEATURES developed by The ERIE. Wherever an "X" appears in the margin of this policy, YOU receive EXTRA PROTECTION, either as additional coverage or as a coverage not found in most homeowners policies.

The protection given by this policy is in keeping with the single purpose of our Founders: "To provide YOU with as near PERFECT PROTECTION, as near PERFECT SERVICE, as is humanly possible, and to do so at the LOWEST POSSIBLE COST."

AGREEMENT

ERIE INSURANCE EXCHANGE ONLY

In return for your timely premium payment, your compliance with all of the provisions of this policy, and your signing of a **Subscriber's Agreement** with Erie Indemnity Company and other Subscribers, we agree to provide the coverages you have purchased. Your coverages and amounts of insurance are shown on the **Declarations**, which are part of this policy.

Your signing the **Subscriber's Agreement**, which includes a limited power-of-attorney, permits Erie Indemnity Company, as Attorney-in-Fact, to make reciprocal insurance contracts between you and other Subscribers and otherwise manage the business of the Erie Insurance Exchange. This power-of-attorney applies only to your insurance business at the Exchange and is limited to the purposes described in the **Subscriber's Agreement**.

Your responsibility as a Subscriber is determined by this policy and the **Subscriber's Agreement**. You are liable for just the policy premiums charged and are not subject to any other assessment under the policy.

This agreement is made in reliance on the information you have given us, and is subject to all the terms of this policy.

This policy, all endorsements to it, and the **Subscriber's Agreement** constitute the entire agreement between you and us.

ERIE INSURANCE PROPERTY AND CASUALTY COMPANY ONLY

In return for your timely premium payment and your compliance with all of the provisions of this policy, we agree to provide the coverages you have purchased. Your coverages and amounts of insurance are shown on the **Declarations**, which are part of this policy.

DEFINITIONS

Throughout your policy and its endorsements the following words have a special meaning when they appear in bold type:

• "aircraft" means any machine or device capable of atmospheric flight except model airplanes.

• "anyone we protect" means you and the following residents of your household:

This agreement is made in reliance on the information you have given us, and is subject to all the terms of this policy.

This policy and all endorsements to it constitute the entire agreement between you and us.

APPLICABLE TO ERIE INSURANCE EXCHANGE AND ERIE INSURANCE PROPERTY AND CASUALTY COMPANY

We promise, upon timely payment of the premium and compliance with the provisions of this policy and its endorsements:

1. To cover you from 12:01 A.M., Standard Time, at the location of the insured property, on the date shown on the **Declarations** as the first day of the policy period. Coverage will continue in force until terminated.
2. To protect you up to the amounts specified in the policy.

You may not transfer this policy without our consent.

This policy is made and accepted subject to these and the following provisions, including those which may be added by endorsement.

1. relatives and wards;
2. other persons in the care of anyone we protect. X

Under *Home and Family Liability Protection*, anyone we protect also means:

3. any person or organization legally responsible for animals or watercraft which are owned by you, or any person included in 1. or 2.; and covered X

by this policy. Any person or organization using or having custody of these animals or watercraft in the course of any business, or without permission of the owner is not anyone we protect;

4. any person with respect to any vehicle covered by this policy. Any person using or having custody of this vehicle in the course of any business use, or without permission of the owner is not anyone we protect.

X • "bodily injury" means physical harm, sickness or disease, including mental anguish, care, loss of services, or resulting death, but does not include:

1. any communicable disease or condition transmitted by anyone we protect to any other person through a parasite, virus, bacteria or any other organism.

2. the exposure to or transmission of any disease, parasite, virus, bacteria or other organism by anyone we protect to any other person.

• "business" means any activity engaged in as a trade, profession or occupation, including farming.

• "Declarations", "Amended Declarations", "Continuation Notice", "Revised Declarations", and "Renewal Certificate" means the forms which show your coverages, amounts of insurance, premium charges and other information. These forms are part of your policy.

• "insured location" means:

1. the residence premises;

2. the part of any other premises, other structures, and grounds acquired by you during the policy period which you intend to use as a residence premises;

3. any premises used by anyone we protect in connection with premises included in 1. or 2.;

4. any part of a non-owned premises:

a. where anyone we protect is temporarily residing; or

b. occasionally rented to anyone we protect for non-business purposes;

5. vacant land, other than farmland, owned by or rented to anyone we protect;

6. land owned by or rented to anyone we protect on which a one or two family residence is being built for occupancy by anyone we protect;

7. cemetery plots or burial vaults of anyone we protect.

X
X • "medical expense" means reasonable charges for necessary medical, surgical, x-ray and dental services, including prosthetic devices, eyeglasses, contacts, hearing aids and pharmaceuticals; and also includes ambulance, hospital, licensed nursing and funeral services.

• "occurrence" means an accident, including continuous or repeated exposure to the same general harmful conditions.

• "personal injury" means injury arising out of:

1. bodily injury;

2. libel, slander, or defamation of character;

3. false arrest, wrongful detention or imprisonment, malicious prosecution, racial or religious discrimination, wrongful entry or eviction, invasion of privacy, or humiliation caused by any of these.

• "property damage" means damage to or loss of use of tangible property.

• "residence employee" means an employee of anyone we protect who performs duties in connection with the maintenance or use of the residence premises, including similar duties elsewhere, not in connection with the business of anyone we protect.

• "residence premises" means the dwelling where you reside, including the structures and grounds, or that part of any other building where you reside and which is shown as residence premises on the Declarations.

ADDITIONAL ERIE INSURANCE EXCHANGE DEFINITIONS

The following words have special meaning in policies issued by *Erie Insurance Exchange*:

• "Subscriber" means the person(s) who signed the Subscriber's Agreement.

• "Subscriber's Agreement" means the agreement, including a limited power-of-attorney, among the Subscribers and the Erie Indemnity Company, as Attorney-in-Fact.

• "We", "us", or "our" means the Subscribers at *Erie Insurance Exchange* as represented by their common Attorney-in-Fact, Erie Indemnity Company.

• "You", "your", or "Named Insured" means the Subscriber and others named on the Declarations under Named Insured. Except in the GENERAL POLICY CONDITIONS, these words include the spouse of the Subscriber if a resident of the same household.

ADDITIONAL ERIE INSURANCE PROPERTY AND CASUALTY COMPANY DEFINITIONS

The following words have special meaning in policies issued by *Erie Insurance Property and Casualty Company*:

• "We," "us", or "our" means *Erie Insurance Property and Casualty Company*.

• "You", "your", or "Named Insured" means the person(s) named on the Declarations under Named Insured. Except in the GENERAL POLICY CONDITIONS, these words include your spouse if a resident of the same household.

WHEN AND WHERE THIS POLICY APPLIES

This policy applies to losses that occur during the policy period. The policy period is shown on the Declarations or Amended Declarations.

Property Protection -- Section I. This policy applies to property losses as designated in the specific coverage and at the location(s) insured under this policy. In addition,

personal property is covered while located anywhere in the world.

Home and Family Liability Protection -- Section II. This policy applies to personal injury and property damage losses occurring anywhere in the world.

PROPERTY PROTECTION -- SECTION I

DWELLING COVERAGE

OUR PROMISE

We will pay for loss to:

1. Your dwelling at the residence premises shown on the Declarations. Dwelling includes attached structures, and building equipment and fixtures servicing the premises.
2. Construction material at the residence premises for use in connection with your dwelling.

This coverage does not apply to land.

OTHER STRUCTURES COVERAGE

OUR PROMISE

We will pay for loss to:

1. Other structures at the residence premises separated from the dwelling, including garages, fences, shelters, tool sheds or carports.
Structures connected to the dwelling by only a fence, utility line, or similar connection are considered to be other structures.
2. Construction material at the residence premises for use in connection with your other structures.

We do not pay for loss to structures used in whole or in part for business purposes (except rental or holding for rental of structures used for private garage purposes).

This coverage does not apply to land.

PERSONAL PROPERTY COVERAGE

OUR PROMISE

We will pay for loss to:

1. Personal property owned or used by anyone we protect anywhere in the world.
2. At your option, personal property owned by others while the property is on your residence premises.
3. At your option, personal property of:

a. guests and residence employees while the property is in a residence occupied by anyone we protect;

b. residence employees away from the residence premises while actually engaged in the service of anyone we protect. X

4. At your option, building additions, alterations, fixtures, improvements or installations made, or acquired at your expense, by you to residences occupied by, but not owned by you, for an amount not exceeding 10% of the amount of insurance under this coverage. Payment will not increase the applicable amount of insurance under this policy. X

5. Cemetery property, including monuments, headstones, gravemarkers, and urns.

6. Animals, birds and fish, but only while on the residence premises, for the following perils to the extent covered under *Perils We Insure Against: Fire or Lightning, Windstorm or Hail, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Smoke and Vandalism or Malicious Mischief.* X

7. Electronic apparatus and equipment, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power. Electronic apparatus includes cellular phones, fax machines, radios, tape and disc players, and similar equipment or devices for the recording, reproduction, receiving or transmitting of sound or pictures. Electronic apparatus also includes accessories used in conjunction with such apparatus, including antennas, tapes, wires, records, discs or other media. X

We do not pay for loss to electronic apparatus and equipment which is solely powered from the electrical system of motor vehicles or any other motorized land conveyances. Accessories to these devices, including antennas, tapes, wires, records, discs or other media are not covered while in or upon the motor vehicle or conveyance. However, when there is a loss of tapes or compact discs by theft, we will pay up to \$150 for the tapes or compact discs.

We do not pay for loss to:

1. Land motor vehicles and parts. We do cover vehicles designed to assist the handicapped, and vehicles used to service the residence premises, not subject to motor vehicle registration. X

2. Aircraft and parts.

- | | | | |
|--|--|--|--|
| <p>3. Property rented or held for use by others away from the residence premises.</p> <p>4. Property of roomers, boarders or tenants not related to anyone we protect.</p> <p>5. a. Books of account, drawings, or other paper records containing business data; or
b. Electronic data processing tapes, wires, records, discs, or other software media containing business data.</p> <p>6. Radar detectors.</p> <p>7. Property specifically insured by this or any other insurance.</p> <p>8. Except as provided under <i>Special Limits -- Personal Property</i>, property pertaining to a business conducted away from the residence premises unless at the time of loss such property is on the residence premises. However, we do not cover such property on the residence premises while it is stored, held as samples, or held for sale or delivery after sale.</p> | <p>\$500</p> <p>\$3000</p> <p>\$3000</p> <p>\$3000</p> <p>10% of Personal Property Coverage — (but not less than \$2000)</p> | <p>business property away from the residence premises, regardless of whether the business is conducted on or away from the residence premises.</p> <p>•Theft of guns</p> <p>•Theft of jewelry, watches, furs, precious and semi-precious stones</p> <p>•Theft of silverware, silver-plated ware, goldware, gold-plated ware and pewterware</p> <p>•Personal property usually situated at any residence owned or occupied by anyone we protect other than a residence premises. Personal property in a newly-acquired principal residence is not subject to this limitation for the 30 days immediately after you begin to move property there.</p> | <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> |
|--|--|--|--|

SPECIAL LIMITS - PERSONAL PROPERTY

Limitations apply to the following personal property. These limits do not increase the amount of insurance under *Personal Property Coverage*:

Total Amount of Insurance In Any One Loss	Description of Personal Property Subject to Limitations
\$250	•Animals, birds and fish
X \$250	•Money, bank notes, bullion, numismatic property, gold other than goldware or gold-plated ware, silver other than silverware or silver-plated ware, and platinum
\$1000	•Theft of trading cards, including sports cards.
X \$2000	•Accounts, bills, deeds, evidences of debt, letters of credit, notes other than bank notes, passports, securities, tickets, stamps and philatelic property
X \$2000	•Trailers and campers not otherwise insured, whether licensed or not
X \$2000	•Watercraft, including their trailers, whether licensed or not, furnishings, equipment and outboard motors
\$2000	•Manuscripts
\$2500	•Property pertaining to a business actually conducted on the residence premises, including property in storage, held as samples, or held for sale or delivery after sale.

LOSS OF USE COVERAGE

OUR PROMISE

If an insured property loss makes your residence premises uninhabitable, we will pay all reasonable additional living expenses while you and members of your household reside elsewhere.

Payment shall be for the shortest time required to repair or replace the premises or, if you choose, for you to permanently relocate.

These payments will not exceed a 12 month period.

We will also pay for your loss of normal rents resulting from the loss, less charges and expenses which do not continue while the rented part of the residence premises is uninhabitable. We will pay this loss of normal rents only until the rented part is habitable.

If a loss from a peril covered under *Perils We Insure Against* occurs at a neighboring premises, we will pay additional living expenses and loss of normal rents for up to two weeks should civil authorities prohibit you from occupying your premises.

These periods of time are not limited by the expiration of this policy.

No deductible applies to this coverage.

We will not pay for loss or expense due to the cancellation of any lease or agreement.

This coverage also applies to a loss at a covered secondary location.

PERILS WE INSURE AGAINST

DWELLING AND OTHER STRUCTURES COVERAGES

We pay for risks of direct physical loss to property insured under the *Dwelling and Other Structures Coverages* except as excluded or limited herein.

We do not pay for loss:

1. Involving collapse, other than as provided in *Additional Losses We Will Pay, (2) Collapse*;
 2. Caused by freezing by temperature reduction of a plumbing, heating, air conditioning, gutters and drain spouts, or fire protective system, or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing, while the dwelling is vacant, unoccupied or being constructed.
- There is coverage if you have used reasonable care to:
- a. maintain heat in the building; or
 - b. shut off the water supply and drain the system or appliances of water.
3. By freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a fence, pavement, patio, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock.
 4. Caused by constant or repeated seepage or leakage of water or steam over a period of weeks, months or years from within a plumbing, heating, air conditioning, or fire protective system, or a household appliance.

However, there is coverage if the loss is sudden and accidental.

5. Caused by:
 - a. termites, vermin, insects, rodents, birds, skunks, raccoons, spiders or reptiles;
 - b. mechanical breakdown, deterioration, wear and tear, marring, inherent vice, latent defect, rust, smog, wet or dry rot, mold, fungus or spores;
 - c. contamination;
 - d. smoke from agricultural smudging or industrial operations;
 - e. bulging, cracking, expansion, settling or shrinking in ceilings, foundations, floors, patios, pavements, roofs or walls.

If a. through e. cause water damage not otherwise excluded, from a plumbing, heating, air conditioning, gutters or drain spouts, or fire protective system, household appliance, waterbed or aquarium, we cover loss caused by the water. Coverage includes the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. This does not include loss to the defective system or appliance (other than a waterbed or aquarium) from which the water escaped.

6. Caused by weather conditions if any peril excluded by this policy contributes to the loss in any way.
7. Caused by acts or decisions, including the failure to act or decide, of any person, group, organization, or governmental body if any peril excluded by this policy contributes to the loss in any way.
8. Caused by, resulting from, contributed to or aggravated by faulty or inadequate
 - a. planning, zoning, development;
 - b. design, development of specifications, workmanship, construction;
 - c. materials used in construction; or
 - d. maintenance;of property whether on or off the residence premises by any person, group, organization, or governmental body if any peril excluded by this policy contributes to the loss in any way.
9. Caused by animals or birds kept by anyone we protect or kept by a residence employee of anyone we protect.
10. By theft of property from within a dwelling under construction unless that property has become a part of the building, or of materials and supplies for use in the construction until the dwelling is completed and occupied.

Under items 1. through 10. any ensuing loss not excluded is covered.

See *Section I - What We Do Not Cover - Exclusions* for additional losses excluded.

PERSONAL PROPERTY COVERAGE

We pay for direct physical loss to property insured under *Personal Property Coverage* caused by any of the following perils, unless the loss is excluded elsewhere under this policy:

1. Fire or Lightning.
2. Windstorm or Hail, but not including loss:
 - a. caused by frost, cold weather, ice, snow, sleet, sand or dust;
 - b. to property contained in a building, unless the building is first damaged by the direct force of wind or hail; or
 - c. to watercraft (except rowboats and canoes at an insured location) and their trailers, furnishings, equipment and motors unless inside a fully enclosed building.
3. Explosion.
4. Sonic Boom.
5. Riot or Civil Commotion.
6. Aircraft, including missiles and spacecraft.
7. Vehicles.
8. Smoke, if the loss is sudden and accidental.

This does not include loss caused by smoke from agricultural smudging or industrial operations.

9. **Vandalism or Malicious Mischief**

- X 10. **Theft**, including attempted theft and loss of property from a known location when it is likely that the property has been stolen. We also cover direct loss of covered personal property by theft while it is unattended in or on a motor vehicle, trailer, or watercraft.

This does not include:

- a. theft committed by anyone we protect;
- b. theft of property from within a dwelling under construction unless that property has become a part of the building, or of materials and supplies for use in the construction until the dwelling is completed and occupied;
- c. theft of property while at another dwelling or adjacent structures owned by, rented to, or occupied by anyone we protect unless anyone we protect is temporarily residing there. Property of a student we protect is covered while at a residence away from home.

Theft losses must be promptly reported to us and to the police.

X X
11. **Falling Objects**, but not including:

- a. loss to property contained in a building, unless the falling object first damages the building exterior; or
- b. damage to the falling object.

12. **Weight of Ice, Snow or Sleet**.

This does not include loss to personal property outside the building.

13. **Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning system, or fire protective system, or an appliance for heating water.**

This does not cover loss caused by or resulting from freezing.

14. **Freezing by temperature reduction of a plumbing, heating, air conditioning, or fire protective system, or of a household appliance.**

This does not include loss on the residence premises while the dwelling is unoccupied unless you have used reasonable care to:

- a. maintain heat in the building, or
- b. shut off the water supply and drain the system or appliances of water.

- X 15. **Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning, or fire protective system, household appliance, waterbed or aquarium.**

This does not include loss:

- a. to a building caused by constant or repeated seepage or leakage over a period of weeks, months or years;
- b. to the defective system or appliance (other than a waterbed or aquarium);
- c. caused by or resulting from freezing;

d. on the residence premises caused by accidental discharge or overflow which occurs off the residence premises;

e. caused by overflow from gutters or drain spouts.

For this peril, a plumbing system does not include a sump, sump pump or related equipment.

16. **Damage due to a sudden and accidental surge of electrical current.**

17. **Volcanic Eruption.**

This does not include loss caused by earthquake, land shock waves or tremors.

Volcanic eruptions occurring within a 72 hour period will be considered one volcanic eruption.

WHAT WE DO NOT COVER – EXCLUSIONS

(Also see specific Exclusions under Dwelling and Other Structures Coverages – Perils We Insure Against)

We do not pay for loss resulting directly or indirectly from any of the following, even if other events or happenings contributed concurrently, or in sequence, to the loss:

1. by earth movement, due to natural or manmade events, meaning earthquake including land shock waves, or tremors before, during, or after a *Volcanic Eruption*, mine subsidence, sinkhole, landslide, mudslide, mud flow, earth sinking, rising, or shifting. Direct loss by *Fire, Explosion, Sonic Boom, Theft or Breakage of Glass* resulting from earth movement, mine subsidence, sinkhole, landslide, mudslide, mud flow, earth sinking, rising or shifting is covered.
2. by water damage, meaning:
 - a. flood, surface water, waves, tides, tidal water or overflow of a body of water. We do not cover spray from any of these, whether or not driven by wind;
 - b. water or sewage which backs up through sewers or drains, or water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or
 - c. water below the surface of the ground. This includes water which exerts pressure on, or flows, seeps or leaks through any part of a building or other structure, sidewalk, driveway, foundation, or swimming pool.

We do pay for direct loss that follows, caused by *Fire, Explosion, Sonic Boom* or *Theft*.

3. by power interruption if the interruption takes place away from the residence premises. If a loss from a peril covered under *Perils We Insure Against* happens on the residence premises as a result of a power interruption, we will cover only loss caused by that peril.
4. by war, whether declared or undeclared, discharge of a nuclear weapon (even if accidental), hostile or warlike action in time of peace or war, insurrection, rebellion, revolution, civil war, usurped power,

including action taken by governmental authority in defending against such an occurrence.

5. by nuclear action or radiation or radioactive contamination, however caused. Nuclear action includes nuclear reaction, discharge, radiation or radioactive contamination, whether manmade or occurring naturally.

Loss caused by nuclear action is not considered loss by *Fire, Explosion, Sonic Boom* or *Smoke*.

If loss by *Fire* results, we will pay for that resulting loss.

6. by radon gas contamination.
7. by the enforcement of any ordinance or law regulating the construction, repair or demolition of a building or other structure, unless specifically provided under this policy. We do cover loss caused by actions of civil authorities to prevent the spread of a fire caused by a peril covered under *Perils We Insure Against*.
8. by neglect of anyone we protect to use all reasonable means to protect covered property at and after the time of loss or when property is threatened by a peril covered under *Perils We Insure Against*.
9. by intentional loss, meaning any loss arising from an act committed by or at the direction of anyone we protect with the intent to cause a loss.

ADDITIONAL LOSSES WE WILL PAY

(1) AUTOMATIC GARAGE DOOR OPENER

We will pay up to \$500 for loss to personal property, including the garage door, at the residence premises resulting from the use or malfunction of an automatic garage door opener.

(2) COLLAPSE

We will pay for direct physical loss to insured property involving collapse of a building, or any part of a building, caused only by one or more of the following:

1. *Fire or Lightning, Windstorm or Hail, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Vandalism or Malicious Mischief, Breakage of Glass, Falling Objects, or Weight of Ice, Snow or Sleet;*
2. hidden decay, or hidden insect or vermin damage;
3. weight of people, animals, contents or equipment;
4. weight of rain which collects on a roof;
5. use of defective materials or methods in construction, remodeling, or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

We will not be liable for loss under 2., 3., 4. or 5. above to the following property unless the loss is a direct result of the collapse of a building:

Cloth awnings, fences, pavements, patios, swimming pools, underground pipes, flues, drains, cesspools, septic tanks, foundations, retaining walls, bulkheads, piers, wharves or docks.

Collapse does not include settling, cracking, shrinkage, bulging or expansion.

Payment does not increase the amount of insurance applying to the loss.

(3) CREDIT CARD, CHARGE PLATE, CHECK FORGERY AND COUNTERFEIT MONEY PROTECTION

We will pay up to \$2500 for the legal obligation of anyone we protect to pay because of *Theft*, forgery or unauthorized use of any credit or fund transfer card, charge plate, check or negotiable instrument issued to or registered in the name of anyone we protect. We will also pay for loss each time anyone we protect unknowingly accepts counterfeit money.

No deductible applies to this coverage. We require evidence of loss.

We will not pay for:

1. loss arising from any business;
2. loss arising from anyone we protect.

When loss is discovered, anyone we protect must give us immediate notice. If the loss involves a credit or fund transfer card or charge plate, anyone we protect must also give immediate notice to the issuer of the card or plate. Failure to comply with the terms and conditions of the card or plate voids this protection.

If a loss occurring during the policy period is discovered within a year after the policy has been cancelled, we will pay for the loss. If a prior loss is discovered during the policy period and no other insurance applies, we will pay for the loss. We have the right to investigate and settle any claim or suit before making payment. Full payment of the amount of insurance ends our obligation under each claim or suit.

Repeated losses caused by or involving one person are to be considered one loss.

If a claim is made or suit is brought against anyone we protect for liability under the *Credit Card or Charge Plate Protection*, we will provide a defense. The defense will be at our expense, with a lawyer we choose.

We have the option under the *Check Forgery Protection* to defend at our expense anyone we protect or their bank against a suit for the enforcement of payment.

(4) DEBRIS REMOVAL AFTER LOSS

We will pay the expense for removal of:

1. debris of covered property following loss under *Perils We Insure Against*;
2. ash, dust or particles from *Volcanic Eruption* that has caused direct loss to a building or property within a building; or
3. fallen trees which cause damage to covered property, provided coverage is not afforded elsewhere by this policy.

If the amount of insurance applying to the loss is exhausted, we will pay up to an additional 5% of the

amount of insurance applying to the damaged property for removal of debris.

We will also pay up to \$500 per occurrence for the removal of fallen trees on the residence premises if loss is caused by *Windstorm, Hail or Weight of Ice, Snow or Sleet* even when covered property is not damaged.

(5) EMERGENCY REMOVAL OF PROPERTY

We will pay for property damaged in any way while removed from your residence premises because of danger from an insured peril. Coverage is limited to a 30-day period from date of removal. Payment will not increase the amount of insurance applying to the loss.

(6) FIRE DEPARTMENT SERVICE CHARGES

X We will pay all reasonable fire department service charges to save or protect insured property. Payment is in addition to the amount of insurance applying to the loss.

No deductible applies to this coverage.

(7) FIRE EXTINGUISHER RECHARGE

X We will pay expenses incurred to recharge portable fire extinguishers after they are used to fight a fire.

No deductible applies to this coverage.

(8) LOCK REPLACEMENT AFTER LOSS

At your request, we will pay up to \$250 to replace keys and locks to the exterior doors of the residence premises, as well as keys and locks to your other property (autos, boats, etc.), if the keys are stolen during a *Theft* loss. This coverage does not apply to keys and locks pertaining to business property.

No deductible applies to this coverage.

X We will pay for replacement of automatic garage door transmitters when a transmitter has been stolen. Coverage is also provided for the cost to reprogram the frequency on additional transmitters and/or the control unit box.

No deductible applies to the replacement of automatic garage door transmitters.

(9) LOSS ASSESSMENT

(Applicable to Section I and Section II - Personal Liability Coverage Only)

We will reimburse you for an assessment charged against you as owner or tenant of the residence premises by an association or corporation of property owners, minus any other valid and collectible insurance available to the association or corporation covering the same assessment. Under *Property Protection - Section I*, the assessment must result from a direct loss to property, owned by all the property owners collectively, caused by any of the *Perils We Insure Against*. Under *Section II - Personal Liability Coverage Only*, the assessment must result from an occurrence covered under this policy.

Unless otherwise shown on the *Declarations*, our amount of insurance for this protection is \$5000 per assessment. X

If you are assessed for a covered water loss, we will pay your share of the cost of tearing out and replacing any part of an insured location necessary to repair the system or appliance.

The policy deductible applies under *Property Protection - Section I* only.

We will not pay if the loss is caused by earthquake or land shock waves or tremors which occur before, during or after a *Volcanic Eruption*.

We also will not pay for any loss assessments charged by a governmental body.

(10) MECHANICAL SERVANT AND ROBOT PROTECTION

We will pay up to \$500 for loss to personal property at the residence premises caused by malfunction of a mechanical servant or robot. X

(11) NON-OWNED RESIDENCES

We will pay up to \$1000 for loss by *Theft* and *Vandalism or Malicious Mischief* to residences occupied by, but not owned by anyone we protect. X

(12) REFRIGERATED PRODUCTS

We will pay for loss to the contents of refrigerator or freezer units on the residence premises from either power or mechanical failure. X

Coverage will be void if the contents are on the residence premises for business purposes.

(13) TEMPERATURE CHANGE X

We will pay for loss to insured personal property resulting from change of temperature. There must first be damage done by a peril covered under *Perils We Insure Against* occurring at the residence premises. Payment will not increase the amount of insurance applying to the loss.

(14) TEMPORARY REPAIRS AFTER LOSS

We will pay for reasonable and necessary expenses for temporary repairs to protect covered property from further damage after loss by a peril covered under *Perils We Insure Against*. Payment will not increase the amount of insurance applying to the loss.

(15) TREES, SHRUBS, PLANTS AND LAWNS

We will pay up to an additional 5% of the amount of insurance under *Dwelling Coverage* for loss to trees, shrubs, plants and lawns at the residence premises.

Coverage applies only to loss caused by the following perils covered under *Perils We Insure Against*: *Fire or Lightning, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Smoke, Vandalism or Malicious Mischief* and *Theft*. X

We will not pay for:

1. more than \$500 on any one tree, shrub or plant;
2. damage to lawns by vehicles owned or operated by a resident of the residence premises;
3. trees, shrubs, plants or lawns grown for business purposes.

DEDUCTIBLE

We will pay for loss minus the deductible shown on the **Declarations**. Unless otherwise provided in an endorsement, in the event of total loss to the *Dwelling* from a covered peril, the deductible will not apply. X

The deductible does not apply to:

1. *Loss of Use Coverage*.
2. *Credit Card, Charge Plate, Check Forgery and Counterfeit Money Protection*.
3. *Fire Department Service Charges*.
4. *Fire Extinguisher Recharge*.
5. *Lock Replacement After Loss*.

RIGHTS AND DUTIES -- CONDITIONS

(1) ABANDONMENT OF PROPERTY

We need not accept abandoned property.

(2) APPRAISAL

If you and we fail to agree on the amount of loss, on the written demand of either, each party will choose a competent appraiser and notify the other of the appraiser's identity within 20 days after the demand is received. The appraisers will select a competent and impartial umpire. If the appraisers are unable to agree upon an umpire within 15 days after both appraisers have been identified, you or we can ask a judge of a court of record in the state where your residence premises is located to select an umpire.

The appraisers shall then set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of loss. If they cannot agree, they will submit their differences to the umpire. A written award by two will determine the amount of loss.

Each party will pay the appraiser it chooses, and equally bear expenses for the umpire and all other expenses of the appraisal. However, if the written demand for appraisal is made by us, we will pay for the reasonable cost of your appraiser and your share of the cost of the umpire.

We will not be held to have waived any rights by any act relating to the appraisal.

X (3) AUTOMATIC ADJUSTMENT OF COVERAGE AMOUNTS

This policy provides you with a guard against the effects of inflation in construction costs.

We will keep track of costs and at the next policy period we will adjust the amount of your building coverage if necessary. Adjustments in other coverages (*Other Structures Coverage* and *Personal Property Coverage*) will also be made proportionately. Your premium will be

adjusted at each policy period to reflect any change in the amount of insurance.

During the policy period, if there is an increase in construction costs and a loss occurs, we will reflect the increase in the amount of insurance before making payment. There will be no charge for this additional coverage.

However, if for any reason other than inflation or construction costs, the amount of insurance on your home becomes inadequate, or if you made substantial improvements to your home and failed to notify us to increase the amount of your insurance, the amount of insurance shown on the **Declarations** will be the full amount available should a loss occur.

(4) ERIE OPTION

If we give you written notice within 30 days after we receive your signed, sworn statement of loss, we may repair or replace any part of the property damaged with equivalent property.

(5) GLASS REPLACEMENT

Loss to glass caused by a peril covered under *Perils We Insure Against* will be settled on the basis of replacement with safety glazing materials when required by law.

(6) INCREASE OF HAZARD

Unless we agree beforehand, coverage is suspended if the hazard is substantially increased by any means within the control or knowledge of anyone we protect.

(7) LOSS PAYMENT

We will settle any claim for loss with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. We will pay within 30 days after we receive your proof of loss and the amount of loss is finally determined by one of the following:

- a. we have reached an agreement with you; or
- b. there is an entry of final judgment; or
- c. there is a filing of an appraisal award on your behalf.

(8) LOSS SETTLEMENT

The following types of losses will be settled on an actual cash value basis. This means that we will deduct for depreciation.

Losses to:

- property insured under *Personal Property Coverage*
- structures that are not buildings or carports
- carpeting
- household appliances
- X • cloth awnings
- outdoor antennas and outdoor equipment, whether or not attached to buildings
- insured buildings and structures which do not meet the requirements for a replacement cost settlement described below.

The actual cash value will be determined at the time of the loss. Payment will not exceed the amount necessary to repair or replace the damaged property.

Dwelling and Other Structures Coverage

Loss under *Dwelling Coverage* or *Other Structures Coverage* will be settled by one of the following methods:

- X 1. **REPLACEMENT COST SETTLEMENT** (meaning we will not deduct for depreciation):
 - a. provided the *Declarations* shows the *Automatic No-Depreciation Settlement* applies; or
 - b. if at the time of the loss, the amount of insurance applying to the insured building is 80% or more of the full replacement cost of the building immediately prior to the loss; or
 - X c. if the cost to repair or replace the damage to an insured building is both:
 - 1) less than \$2500; and
 - 2) less than 5% of the amount of insurance on the building.

In making a replacement cost settlement, we will pay you the cost of repair or replacement, without deduction for depreciation. Payment will not exceed the smallest of the following amounts:

- a. the amount of insurance applying to the building; or
- b. the replacement cost of that part of the building damaged for equivalent construction and use on the same premises; or
- c. the actual amount spent to repair or replace the damaged building.

In determining 80% of the full replacement cost of the building, the value of the following will not be considered:

- a. excavation.
- b. foundations below the basement floor,
- c. piers and other supports below the basement floor,
- d. if there is no basement, the value of all items below the surface of the ground inside the foundation walls.

2. LESS THAN FULL REPLACEMENT COST SETTLEMENT

If full replacement cost settlement does not apply, we will pay the larger of the following amounts, but not exceeding the amount of insurance under this policy applying to the building:

- a. the actual cash value of that part of the building damaged; or
- b. that proportion of the full cost to repair or replace the damage which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

We will pay no more than the actual cash value of the damage until the actual repair or replacement is completed. However, when the loss is both less than \$2500 and less than 5% of the amount of insurance on the building, we will pay the full replacement cost before actual repair or replacement is completed.

You may disregard the replacement cost provision and make claim for loss or damage to buildings on an actual cash value basis.

You have the right to make claim, within 180 days after the loss, for any additional amounts we will be required to pay under this *Loss Settlement* provision.

(9) LOSS TO A PAIR OR SET

If there is a loss to a pair or set we may:

- a. repair or replace any part of the pair or set to restore it to its value before the loss; or
- b. pay the difference between actual cash value of the property before and after the loss.

(10) MORTGAGE CLAUSE

Loss under *Dwelling Coverage* or *Other Structures Coverage* shall be payable to mortgagees named on the *Declarations*, to the extent of their interest and in the order of precedence.

Our Duties

We will:

- a. protect the mortgagee's interests in an insured building. This protection will not be invalidated by any act or neglect of anyone we protect, any breach of warranty, increase in hazard, change of ownership, or foreclosure if the mortgagee has no knowledge of these conditions;
- b. give mortgagee 30 days notice before cancellation X or refusal to continue this policy.

Mortgagee's Duties

The mortgagee will:

1. furnish proof of loss within 60 days if you fail to do so;
2. pay upon demand any premium due if you fail to do so;
3. notify us of any change of ownership or occupancy or any increase in hazard of which the mortgagee has knowledge;
4. give us the right of recovery against any party liable for loss. This shall not impair the mortgagee's right to recover the full amount of the mortgage debt;
5. after a loss, permit us to satisfy the mortgage requirements and receive full transfer of the mortgage and all securities held as collateral to the mortgage debt.

Policy conditions relating to *Appraisal, Loss Payment* and *Suit Against Us* apply to the mortgagee.

This condition shall apply to any trustee or loss payee named on the **Declarations**.

(11) NO BENEFIT TO BAILEE

No bailee shall benefit, directly or indirectly, from this insurance.

(12) OTHER INSURANCE

If both this insurance and other insurance apply to a loss, we will pay our share. Our share will be the proportionate amount that this insurance bears to the total amount of all applicable insurance, except insurance in the name of an association or corporation of property owners.

If there is other insurance in the name of an association or corporation of property owners covering the same property covered by this policy, the other insurance applies first.

(13) PERMISSION GRANTED TO YOU

Coverage applies even when your described dwelling is vacant or unoccupied, except where limited under *Perils We Insure Against*.

You may make alterations, additions and repairs to your building, and complete structures under construction.

You may waive your rights to recovery against another involving the insured property. This must be done in writing prior to a loss.

(14) RECOVERY OF PROPERTY

If we have made payment on property which has later been recovered by you or us, you or we will notify the other of the recovery. You have a right to the recovered property. If you elect to have the property, you will repay us the amount of our payment to you.

(15) SUIT AGAINST US

We may not be sued unless there is full compliance with all the terms of this policy. Suit must be brought within one year (Maryland - three years and Virginia - two years) after the loss or damage occurs.

(16) YOUR DUTIES AFTER A LOSS

In case of a covered loss, you must:

1. give us or our Agent immediate notice of the loss. If the loss is due to criminal activity or theft, you must also notify the police (except Virginia);
2. do whatever possible to recover and protect the property from further damage. If it is necessary to protect the property, you must make reasonable repairs, and keep a record of all repair costs;
3. furnish a complete inventory of damaged property including quantity, actual cash value and amount of loss claimed;
4. produce for examination, with permission to copy, all books of accounts, bills, invoices, receipts, other vouchers and other financial information as we may reasonably require;
5. show us or our representative the damaged property, as often as may be reasonably required;
6. submit to examinations under oath and sign a transcript of the same;
7. send us, within 60 days after the loss, your signed and sworn proof of loss statement which includes an explanation of the following:
 - a. time and cause of loss;
 - b. your interest in the property and the interest of all others involved;
 - c. any encumbrances on the property;
 - d. other policies which may cover the loss;
 - e. any changes in title, use, occupancy or possession of the property which occurred during the policy term;
 - f. when required by us, any plans, specifications and estimates for the repair of the damaged building;
 - g. the inventory of damaged property as prepared in 3. of this condition;
 - h. receipts for any additional living costs as a result of the loss, and records of pertinent rental loss;
 - i. in case of claim under *Credit Card, Charge Plate, Check Forgery and Counterfeit Money Protection*, an affidavit stating amount, time and cause of loss.

HOME AND FAMILY LIABILITY PROTECT V -- SECTION II

PERSONAL LIABILITY COVERAGE

OUR PROMISE

We will pay all sums up to the amount shown on the Declarations, which anyone we protect becomes legally obligated to pay as damages because of personal injury or property damage resulting from an occurrence during the policy period. We will pay for only personal injury or property damage covered by this policy.

We may investigate or settle any claim or suit for damages against anyone we protect, at our expense. If anyone we protect is sued for damages because of personal injury or property damage covered by this policy, we will provide a defense with a lawyer we choose, even if the allegations are not true. We are not obligated to pay any claim or judgment or defend any suit if we have already used up the amount of insurance by paying a judgment or settlement.

MEDICAL PAYMENTS TO OTHERS COVERAGE

OUR PROMISE

We will pay the necessary medical expenses incurred or medically determined within three years from the date of an accident causing personal injury. This three-year limitation does not apply to funeral expenses.

This coverage does not apply to you or regular residents of your household, other than residence employees.

To others, we will pay only in the following situations:

1. To a person on an insured location with the permission of anyone we protect; or
2. To a person off an insured location if the personal injury:
 - a. arises out of a condition on an insured location or adjoining ways;
 - b. is caused by the activities of anyone we protect;
 - c. is caused by a residence employee in the course of employment by anyone we protect;
 - d. is caused by an animal anyone we protect owns or is caring for.

Payment under this coverage is not an admission of liability by us or anyone we protect.

WHAT WE DO NOT COVER -- EXCLUSIONS

PERSONAL LIABILITY COVERAGE

MEDICAL PAYMENTS TO OTHERS COVERAGE

We do not cover under *Personal Liability Coverage* and *Medical Payments To Others Coverage*:

1. Personal injury or property damage expected or intended by anyone we protect.
2. Personal injury or property damage arising out of business pursuits of anyone we protect.

We do cover:

- a. activities normally considered non-business;
- b. business pursuits of salespersons, collectors, messengers and clerical office workers employed by others. We do not cover installation, demonstration and servicing operations; X
- c. business pursuits of educators while employed by others as educators, including corporal punishment of pupils; X
- d. incidental business activities of anyone we protect. These include, but are not limited to, baby-sitting, caddying, lawn care, newspaper delivery and other similar activities. X

We do not cover regular business activities or business activities for which a person is required to be licensed by the state.

- e. the ownership of newly-acquired one or two family dwellings, but only for a period of 30 consecutive days after acquisition unless described on the Declarations. X
3. Personal injury or property damage arising out of the rental or holding for rental of the residence premises by anyone we protect.

We do cover if the residence premises is:

- a. occasionally rented or held for rental to others as a residence;
 - b. rented or held for rental in part as a residence, unless for the accommodation of more than three roomers or boarders;
 - c. rented or held for rental in part as an office, school, studio or private garage.
4. Personal injury or property damage arising out of the rendering or failing to render professional services.
 5. Personal injury or property damage arising out of any premises owned by or rented to anyone we protect which is not an insured location. This exclusion does not apply to personal injury to a residence employee arising out of and in the course of employment by anyone we protect.

6. **Personal injury or property damage** arising out of the ownership, maintenance or use

- a. aircraft;
- b. any land motor vehicle owned or operated by or rented or loaned to anyone we protect.

We do cover motor vehicles if:

- 1) they are used exclusively at an **insured location** and not subject to motor vehicle registration;
- 2) they are kept in dead storage at an **insured location**;
- 3) they are a recreational land motor vehicle not designed for use on public roads while at an **insured location**;
- 4) they are a golf cart, wherever used or located;
- 5) they are a lawn or farm type vehicle or snowblower, wherever used or located, if not subject to motor vehicle registration.
- 6) they are designed to assist the handicapped.

c. watercraft:

- 1) owned by or frequently rented to anyone we protect if it has inboard or inboard-outdrive motor power of more than 75 horsepower;
- 2) owned by or frequently rented to anyone we protect if it is a sailing vessel 26 feet or more in length; or
- 3) powered by one or more outboard motors with more than 75 total horsepower owned by anyone we protect at the beginning of the policy period.

However, if anyone we protect acquires watercraft, regardless of horsepower, coverage applies during the policy period. If the watercraft is acquired within 60 days of the end of the policy period, we will provide coverage for a maximum of 60 days. We have the right to charge you an additional premium.

Exclusion 6.c. does not apply while the watercraft is stored on shore.

Exclusion 6. does not apply to **personal injury** to any residence employee arising out of and in the course of employment by anyone we protect.

We do not cover liability arising out of the negligent entrustment of an aircraft, motor vehicle or watercraft excluded in 6.

We also do not cover statutorily imposed vicarious parental liability for the actions of a child or minor using an aircraft, motor vehicle or watercraft excluded in 6.

7. **Personal injury or property damage** arising out of war (declared or undeclared), civil war, insurrection, rebellion or revolution.

Discharge of a nuclear weapon is considered a warlike act, even if accidental.

8. **Personal injury or property damage** which arises out of or results from a communicable disease or condition transmitted by anyone we protect to any other person through a parasite, virus, bacteria or any other organism.

9. Except as provided in paragraph 2.c. under "What We Do Not Cover -- Personal Liability and Medical Payments To Others Coverage," **personal injury or property damage** which arises out of the sexual molestation, corporal punishment or physical or mental abuse by anyone we protect.

10. **Personal injury or property damage** which arises out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

11. **Personal injury or property damage** which arises out of the discharge, disposal, release or escape of:

- a. vapors, fumes, acids, toxic chemicals, toxic liquids or toxic gasses;
- b. waste materials or other irritants, contaminants or pollutants.

We do not cover under *Personal Liability Coverage*:

1. Liability assumed under any oral contract or agreement, or by contract or agreement in connection with any business of anyone we protect.

2. Liability for your share of any loss assessment charged against all members of an association or corporation of property owners. This exclusion does not apply to *Additional Losses We Will Pay, (9) Loss Assessment, Section I* of this policy.

3. **Property damage** to property owned by anyone we protect.

4. **Property damage** to property rented to, occupied or used by, or in the care of anyone we protect. This exclusion does not apply to property damage caused by *Fire, Explosion, Sonic Boom* or *Smoke*, or by accidental discharge of water from a waterbed or aquarium.

5. **Personal injury** to any person eligible to receive any benefits required to be provided or voluntarily provided by anyone we protect under any workers compensation or occupational disease law.

6. **Personal injury or property damage** for which anyone we protect is covered under any nuclear energy liability policy, or would be covered if its amounts of insurance had not been exhausted.

7. **Personal injury** arising out of business pursuits of anyone we protect, other than business pursuits covered by the policy;

8. **Personal injury** to employees of anyone we protect arising out of employment.

This exclusion does not apply to **bodily injury** to a residence employee arising out of and in the course of employment by anyone we protect;

9. Under parts 2. and 3. of the definition of **personal injury**, injury caused by willful violation of a law or ordinance;

10. Under parts 2. and 3. of the definition of **personal injury**, injury arising out of civic or public activities performed for pay;

11. Suits for libel, slander or defamation of character made against anyone we protect in the publication or statement:
 - a. took place before the effective date of this insurance, or
 - b. was knowingly untrue.
12. Personal injury to you and if residents of your household, your relatives, and persons under the age of 21 in your care or in the care of your resident relatives.

Under *Medical Payments To Others Coverage* we do not cover:

1. Personal injury to a residence employee if it occurs off an insured location and does not arise out of or in the course of employment by anyone we protect.
2. Personal injury to any person eligible to receive any benefits required to be provided or voluntarily provided under any workers compensation or occupational disease law.
3. Personal injury from any nuclear reaction, radiation or radioactive contamination, or any consequence of any of these.
4. Personal injury to anyone we protect or other person(s) who resides on the residence premises, except a residence employee.

WHAT WE ALSO PAY

Payment for the following is in addition to the amounts of insurance shown on the Declarations.

(1) CLAIM EXPENSES

We pay:

1. court costs, to defend or settle as we believe proper, any claim or suit against anyone we protect, for damages covered under this policy. Our payment of the limit of protection for a settlement, judgment, or deposit in court ends our duty to pay under this item.
2. expenses incurred, to investigate and defend or settle as we believe proper, any claim or suit against anyone we protect for damages covered under this policy. Our payment of the limit of protection for a settlement, judgment, or deposit in court ends our duty to pay under this item.
3. post-judgment interest, but only that portion of the post-judgment interest which accrues on that part of any judgment that does not exceed the limit of protection on a suit we defend. Our payment, offer in writing, or deposit in court of that part of the judgment which does not exceed the limit of protection ends our duty to pay any post-judgment interest which accrues after the date of our payment, written offer or deposit.
4. prejudgment interest or delay damages awarded on that part of any judgment that does not exceed the

limit of protection. If we offer in writing to pay the applicable limit of protection, we will not pay any prejudgment interest or delay damages for the period of time after the offer.

5. reasonable expenses anyone we protect may incur at our request to help us investigate or defend a claim or suit. This includes up to \$100 a day for actual loss of earnings (but not loss of other income) and vacation time or other benefit loss. X
6. premiums on the following types of bonds, but not for bond amounts greater than the limit of protection:
 - a. appeal bond in a suit we defend;
 - b. bail bond (with premium of \$500 or less) X required due to an accident or related traffic violation involving a vehicle we insure;
 - c. attachment bond to release property of anyone we protect due to an accident or related traffic violation involving a vehicle covered by this policy.

We have no duty to apply for or furnish such bonds.

7. reasonable lawyers' fees up to \$50 which anyone we protect incurs because of arrest, resulting from an accident involving a vehicle covered by this policy. X

(2) DAMAGE TO PROPERTY OF OTHERS

We pay, on a replacement cost basis, up to \$1000 per occurrence for property damage to property of others caused by anyone we protect. This coverage also applies to property of others in the possession of anyone we protect. X

We will not pay for property damage:

1. to the extent of any amount recoverable under Section I of this policy;
2. caused intentionally by anyone we protect who has attained the age of 13;
3. to property owned by anyone we protect;
4. to property owned by or rented to a tenant of anyone we protect or a resident of your household;
5. arising out of:
 - a. an act or omission in connection with a premises (other than an insured location) owned, rented or controlled by anyone we protect;
 - b. business pursuits; or
 - c. ownership, maintenance or use of a motor vehicle, aircraft or watercraft. We will pay for property damage to a land motor vehicle designed for recreational use off public roads while in the possession of or caused by anyone we protect if:
 - 1) not subject to motor vehicle registration, and
 - 2) not owned by anyone we protect.

(3) FIRST AID EXPENSES

X We pay reasonable expenses for first aid to other persons and animals at the time of an accident involving anyone we protect.

(4) LOSS ASSESSMENT -- PERSONAL LIABILITY COVERAGE

See *Loss Assessment*, paragraph (9), *Section I, Additional Losses We Will Pay*.

RIGHTS AND DUTIES -- CONDITIONS

(1) BANKRUPTCY OF ANYONE WE PROTECT

Bankruptcy or insolvency of anyone we protect or anyone we protect's estate will not relieve us of our obligations.

(2) DUTIES OF AN INJURED PERSON -- MEDICAL PAYMENTS TO OTHERS COVERAGE

The injured person or someone acting on behalf of that person will:

- 1. give us written proof of claim, as soon as possible, under oath if required;
- 2. sign papers at our request to allow us to obtain medical reports and copies of records.

The injured person will submit to mental and physical examination by doctors selected by us as often as reasonably required. We may pay the injured person or the provider of the services.

(3) LIMITS OF PROTECTION

This insurance applies separately to anyone we protect. Regardless of the number of people we protect, claims made or persons injured, our total liability under *Personal Liability Coverage* for damages resulting from one occurrence will not exceed the amount shown on the *Declarations*. All personal injury and property damage resulting from one accident or from continuous or repeated exposure to the same general conditions is considered the result of one occurrence.

Our total liability under *Medical Payments To Others Coverage* for all medical expense payable for personal injury to any one person will not exceed the "Each Person" amount shown on the *Declarations*.

(4) OTHER INSURANCE -- PERSONAL LIABILITY COVERAGE

This insurance is excess over any other valid and collectible insurance. However, if the other insurance is specifically written as excess insurance over this policy, the limits of this policy apply first.

If at the time of loss there is other insurance in the name of an association or corporation of property owners covering the same property covered by this policy, the insurance afforded by this policy shall be excess over the amount recoverable under such other insurance.

(5) SUIT AGAINST US

The terms of this policy must be complied with before suit may be brought against us.

The legal liability of anyone we protect must be determined before suit under *Personal Liability Coverage* may be brought against us. This determination may be by a court of law or by written agreement of all parties, including us.

No one has the right to make us a party to a suit to determine the liability of anyone we protect.

(6) YOUR DUTIES AFTER A LOSS

When there is an accident or occurrence anyone we protect will:

- 1. notify us or our Agent, in writing, as soon as possible, stating:
 - a. your name and policy number;
 - b. the time, place, and circumstances of the accident or occurrence;
 - c. names and addresses of injured persons and witnesses;
- 2. send us promptly any papers that relate to the accident or occurrence;
- 3. at our request;
 - a. assist in making settlement;
 - b. help us enforce any right of recovery against any party liable to anyone we protect;
 - c. assist in the conduct of suits;
 - d. attend hearings and trials;
 - e. secure and give evidence and obtain the attendance of witnesses.
- 4. under the coverage *Damage To Property Of Others*, send us, within 60 days of the loss, sworn proof of loss. Anyone we protect shall also exhibit the damaged property if within their control.

Anyone we protect will not, except at one's own cost, make payments, assume obligations or incur expenses, other than for first aid to other persons and animals at the time of the personal injury.

RIGHTS AND DUTIES -- GENERAL POLICY CONDITIONS -- SECTION III

We, you and anyone else protected by this policy must do certain things in order for the terms of this policy to apply.

(1) ACCOUNTING

(Erie Insurance Exchange Only)

X Erie Indemnity Company may keep up to 25% of the premium written or assumed by *Erie Insurance Exchange* as compensation for:

- a. becoming and acting as Attorney-in-Fact;
- b. managing the business and affairs of *Erie Insurance Exchange*; and
- c. paying general administrative expenses, including sales commissions, salaries and other employment costs, the cost of supplies and other administrative costs.

The rest of the premium will be placed on the books of the *Erie Insurance Exchange*. We will deposit or invest this amount as permitted by law. This amount will be used to pay losses, adjustment expenses, legal expenses, court costs, taxes, assessments, licenses, fees, and other governmental fines and charges, establishment of reserves and surplus, and reinsurance, and may be used for dividends and other purposes Erie Indemnity Company decides are to the advantage of the Subscribers.

(2) ASSIGNMENT

Interest in this policy may be transferred only with our written consent.

(3) CANCELLATION

Your Right to Cancel

You may cancel this policy by mailing or delivering to our Agent or us written notice stating at what future date you want the cancellation to take effect. We may waive these requirements by confirming the date of cancellation to you in writing.

Our Right to Cancel or Refuse to Continue

We may cancel or refuse to continue this policy or any coverage by mailing you written notice stating the effective date of our action. Our action will comply with the laws of the state where your residence premises is located. Our cancellation or refusal to continue this policy will not take effect until at least 30 days (Maryland - 45 days), except for non-payment of premium after we send it.

We reserve the right to cancel for your non-compliance with our premium payment plans. We do not waive our right to cancel, even if we have accepted prior late payments.

Method of Giving Notice

Mailing notice to the address shown on the **Declarations** will be sufficient proof of notice. The policy period will end on the date and time stated in the notice.

Return of Premium

If your policy is cancelled by you or us, we will return the pro rata unused share of your premium. Cancellation will be effective even if we have not given or offered the returned premium.

(4) CONCEALMENT, FRAUD OR MISREPRESENTATION

This entire policy is void as to you and anyone we protect if, whether before or after a loss:

- a. you or anyone we protect have intentionally concealed or misrepresented any material fact or circumstance concerning this insurance; or
- b. there has been fraud or false swearing by you or anyone we protect as to any matter that relates to this insurance or the subject thereof.

In the event of a. or b. above, we will not pay for any loss.

(5) COVERAGE AFTER DEATH

If you die, the policy will cover:

1. anyone we protect who is a member of your household at the time of your death, but only while a resident of the residence premises;
2. anyone having lawful possession of insured property until a representative is appointed, but only until the end of the policy period during which your death occurs;
3. your legal representative, but only while performing duties as your representative and only until the end of the policy period during which your death occurs.

(6) HOW YOUR POLICY MAY BE CHANGED

This policy conforms to the laws of the state in which your residence premises is located. If the laws of the state change, this policy will comply with those changes.

Your policy may change by asking us. Your request must contain enough information to identify you. Asking our Agent is the same as asking us. If we agree with your request, we will then issue an Amended **Declarations**.

We will give you the benefit of any change in coverage made by us, if it does not require additional premium. This change will be effective as of the date we implement the change for you in your state.

If the information we use to determine the premium for your coverage(s) changes during the policy period, we

may adjust your premium. Premium adjustments will be made using rules and rates in effect for our use.

(7) OUR RIGHT TO RECOVER FROM OTHERS

After we make a payment under this policy, we will have the right to recover from anyone else held responsible for the loss. This right will not apply under *Section I* if you have waived it in writing prior to the loss.

Anyone to whom we have paid will sign papers and do whatever is required to transfer this right to us, and do nothing to harm this right.

Anyone receiving payment from us and someone else for the same loss will reimburse us up to our payment.

This condition does not apply under *Section II* to *Medical Payments To Others Coverage* or *Damage To Property Of Others*.

(8) POLICY ACCEPTANCE AND COOPERATION

By accepting this policy, you agree the policy contains all agreements relating to this insurance.

You also agree to cooperate with us in such things as:

1. completing and returning questionnaires and audit forms about insurance;
2. permitting and helping with inspections and audits; and
3. complying with specific recommendations to improve your risk.

(9) POLICY PERIOD

This policy applies only to loss which occurs during the policy period. The policy period is shown on the *Declarations* or *Amended Declarations*.

(10) PRIORITY

At our option, this insurance will first protect you, your spouse residing in your household and then others we protect.

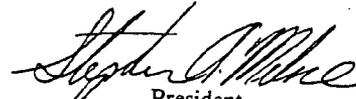
(11) TIME OF INCEPTION

If this policy replaces coverage in other policies which end on the inception date of this policy, but at a different time, then this policy will take effect when the other coverage ends.

X

This policy has been signed on our behalf at Erie, Pennsylvania by our President and Secretary. If required by law, it has been countersigned on the *Declarations* by our duly authorized Agent.


Secretary


President



ERIE INSURANCE GROUP

Home Office • 100 Erie Insurance Place • Erie, PA 16530 • (814) 870-2000

2003 Extracover (Ed. 1/97) UF-8186

RELEASE OF ALL CLAIMS CLAIM KEY 5437PR838672060694

FOR AND IN CONSIDERATION OF the payment to me/us of the sum of (\$ 25,000.00)

Twenty-Five Thousand Dollars and no/100's Dollars, and other good and valuable consideration, I/we, being of lawful age, have released and discharged, and by these presents do for myself/ourselves, my/our heirs, executors, administrators and assigns, release, acquit and forever discharge Victor DeSantis, DeSantis Construction, and Nationwide Mutual Fire Company

and any and all other persons, firms and corporations, whether herein named or referred to or not, of and from any and all past, present and future actions, causes of action, claims, demands, damages, costs, loss of services, expenses, compensation, third party actions, suits at law or in equity, including claims or suits for contribution and/or indemnity, of whatever nature, and all consequential damage on account of, or in any way growing out of any and all known and unknown personal injuries, death and/or property damage resulting or to result from an accident that occurred on

or about the 6th day of June 1994, at or near Turnpike Ave, Clearfield

I/we hereby declare and represent that the injuries sustained may be permanent and progressive and that recovery therefrom is uncertain and indefinite, and in making this release and agreement it is understood and agreed that I/we rely wholly upon my/our own judgment, belief and knowledge of the nature, extent and duration of said injuries, and that I/we have not been influenced to any extent whatever in making this release by any representations or statements regarding said injuries, or regarding any other matters, made by the persons, firms or corporations who are hereby released, or by any person or persons representing him or them, or by any physician or surgeon by him or them employed.

I/we understand that this settlement is the compromise of a doubtful and disputed claim, and that the payment is not to be construed as an admission of liability on the part of the persons, firms and corporations hereby released by whom liability is expressly denied.

It is agreed that distribution of the above sum shall be made as follows: FULL AND FINAL SETTLEMENT

OF PROPERTY DAMAGE CLAIM

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are contractual and not a mere recital.

I/we further state that I/we have carefully read the foregoing release and know the contents thereof, and I/we sign the same as my/our own free act.

WITNESS _____ hand and seal this _____ day of _____, 19__.

IN THE PRESENCE OF

Name _____)

Address _____)

Name _____)

Address _____)

State of Pennsylvania)
County of Erie) ss.

CAUTION! READ BEFORE SIGNING

Laura Morrison (SEAL)

(SEAL)

ERIE 7

MAR 11 1996

On this 11th day of March, 1996, before me personally appeared CLAIMS

to me known to be the person.... described.

herein, and who executed the foregoing instrument and _____ acknowledged that _____

voluntarily executed the same.
Notarial Seal
Lynn Pitzer, Notary Public
Erie, Erie County
My Commission Expires Nov. 22, 1999

My term expires _____, 19__.

Lynn Pitzer
NOTARY PUBLIC

st. H10

FOR CLAIM: 54 37 PR 838672 06-06-94 51

Policy Holder: VICTOR DESANTIS



NATIONWIDE INSURANCE COMPANIES
WESTERN PENNSYLVANIA REGION * BUTLER PENNSYLVANIA

CHECK # 54736517

74-1292
724

DATE OF ISSUE: 03-14-96

PAY
EXACTLY TWENTY FIVE THOUSAND AND 00/100 DOLLARS

\$*25,000.00*

Pay to the order of
ERIE INSURANCE GROUP
SUBROGEE OF
LEROY LITTLE
100 ERIE INS PLACE
ERIE PA 16530

Void if Not Cashed Within 90 Days
This is full payment unless otherwise indicated on stub.

NBD - DEARBORN
DEARBORN, MICHIGAN 48126

By *Mark Foley*

⑈ 54736517⑈ ⑆ 072412927⑆

00105436⑈

FX
010110064845MT 1/1/01

sent to HO

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST STREET
MARINO BUILDING
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

C 10110 64845

TELEPHONE
(814) 765-4000

November 26, 1997

FAX
(814) 765-8142

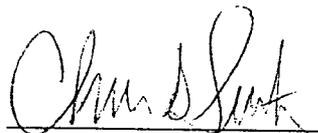
Bucek and Associates
Attention: Joseph Bucek
109 East Pine Street
Philipsburg PA 16866

Re: DeSantis vs Little/No. 1595 of 1994 CD

Dear Mr. Bucek:

Please be advised that I represent Mr. and Mrs. Leroy Little in reference to the above action which is pending in the Court of Common Pleas of Clearfield County. I am writing you this letter to inquire as to the Release of All Claims executed by an employee of Erie Insurance. I have enclosed a copy of that Release for your review. Opposing counsel in the above matter, has presented me with the Release claiming that it is a general release and therefore releases any and all claims (even those unrelated to the June 6, 1994 incident) which my clients may have against Mr. DeSantis. If Erie agrees with the opposing counsel's position that it is a general release, I am very interested in determining upon what authority Erie based their action to grant a general release in this matter. I would appreciate that you give this matter your immediate attention. I need to reply to the opposing counsel as soon as possible.

Sincerely,


Chris A. Pentz

CAP/jms
CC: Mr. & Mrs. Leroy Little
John Foradora, Esquire

sent to HD
2-3-98



ERIE INSURANCE GROUP

Branch Office • 100 Erie Insurance Place • Erie, PA 16530 • (814) 451-5000 • Toll Free 1-800-458-0811 • Fax (814) 451-5060

December 18, 1997

Chris A. Pentz, Esq.
211-1/2 East Locust Street
Marino Building
P.O. Box 552
Clearfield, PA 16830

Re: ERIE Claim #010110064845
ERIE Insured: Leroy J. Little
Date of Loss: 06/06/94
Claimant: Victor Desantis

Dear Mr. Pentz:

I acknowledge your letter dated November 26, 1997 with regard to the above claim.

You indicate that a copy of a General Release was included with your letter. The Release did not accompany your letter; however, we do have a copy of the Release which was executed by Debra Thoreson of Erie Insurance Exchange. Debra signed a Release in the amount of \$25,000.00 for any and all claims relating to an accident that occurred on June 6, 1994 at or near Turnpike Avenue in Clearfield, Pennsylvania. It was never her intent to release any claims other than those pertaining specifically to this accident.

As you are probably aware, the \$25,000.00 payment by Nationwide Mutual Fire Company was their total limits with regard to the Liability coverage purchased by Mr. Desantis. Also, please note that we did reimburse your insured's \$100.00 deductible out of those funds.

As far as I can tell, we were not aware of any other claims which were unpaid by insurance but related to the June 6, 1994 incident; however, if that is not the case, please contact either myself or Debra Thoreson to discuss same.

Sincerely,

Mark Swanseger
Claims Supervisor
Erie Branch Claims

MS:clr

COPY ONLY ... COPY ONLY ... COPY ONLY ... COPY ONLY

348061

sent to HO

PONTZER & FORADORA

ATTORNEYS AT LAW

9 SOUTH MILL STREET
RIDGWAY, PENNSYLVANIA 15853

814-773-3108
FAX 814-773-3109

NORBERT J. PONTZER
DAVID S. PONTZER
JOHN H. FORADORA
M. MARGARET FORADORA

N. T. ARNOLD (1857-1906)
WILLIAM W. BARBOUR (1863-1943)
ROBERT F. PONTZER (1904-1979)

November 5, 1998

Chris A. Pentz, Esq.
211 1/2 East Locust Street
Marino Building
P.O. Box 552
Clearfield, PA 16830-0552

**Re: DeSantis v. Little
No. 1595 of 1994 C.D.**

Dear Chris:

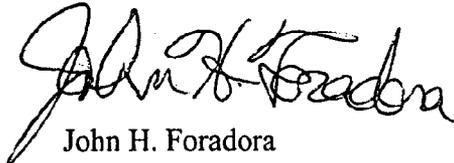
November 26, 1998, it will be a year since I last heard from you regarding this case, and the status of my Preliminary Objections.

I still believe that my position was correct with regard to the release that was signed on your client's behalf by their insurance adjuster; accordingly, I am asking you to meet with your clients, and if they are not prepared to accept that finding, I will ask Judge Reilly to reschedule the matter so he may decide the Preliminary Objections, and we can move on to hearing.

Thank you.

Sincerely,

PONTZER & FORADORA



John H. Foradora

JHF:srh

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
PLAINTIFF

VS.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
DEFENDANTS

: NO. 1595 OF 1994 C.D.
:
: TYPE OF PLEADING:
: BRIEF
:
:
: FILED ON BEHALF OF:
: PLAINTIFF
:
: COUNSEL OF RECORD:
: JOHN H. FORADORA, ESQ.
: PONTZER & FORADORA
: 9 SOUTH MILL STREET
: RIDGWAY, PA 15853
: (814)773-3108
: I.D. NO. 63413

BRIEF

FACTS

84.75
54. -
232. -
370.75

Vic DeSantis operates a construction business known as Vic DeSantis Wood Working and Construction. Vic DeSantis (hereinafter referred to as Plaintiff) entered into a contract with Leroy J. Little and Carol Little, his wife, (hereinafter referred to as Defendants) residing in Clearfield, Clearfield County, Pennsylvania.

By Agreement, the Plaintiff was to do certain work for the Defendants, for a total contract price of \$33,723.00.

When the job was two-thirds complete and the Defendants had paid \$22,760.00, this Agreement was reached between the parties and the Defendants terminated Plaintiff's employment.

The time that his employment was terminated, Plaintiff continued to be ready, willing and able to complete the work on the said project. At the time he was terminated, the Plaintiff was

owed an additional \$11,000.00 on the project, but had only completed certain additional work which totaled \$1,977.79.

The Plaintiff has requested the Defendants to pay that amount, and to date, no amount has been paid.

The Defendants also wish to assert a property damage claim against Plaintiff for damages which they felt were done to their house by leaving it in an unfinished condition.

On or about March 14, 1996, the Defendants signed a General Release, releasing Plaintiff from any claim for property damage in this case. See attached letter (release will be forwarded as soon as it is received from Nationwide).

After that Release was signed, notice of intent to take default judgment was filed by Plaintiff against the Defendants, to which an Answer and Counterclaim was made, claiming damages which were included in the General Release. After this Answer and Counterclaim was filed, the Preliminary Objections which are before the Court were filed stating that the Defendants could not claim any damages against the Plaintiff, due to the fact that they had signed a General Release.

ISSUE I

WHETHER DEFENDANTS, WHO HAVE SIGNED A GENERAL RELEASE, CAN COUNTERCLAIM AGAINST THE PLAINTIFF TO WHOM THE GENERAL RELEASE WAS GIVEN, AFTER THAT GENERAL RELEASE HAS BEEN SIGNED, AND CONSIDERATION EXCHANGED FOR THAT RELEASE.

Pennsylvania Supreme Court and the Pennsylvania Superior Court have held that a General Release will release the original tortfeasor and all other persons and claims arising from the original occurrence. See Buttermore v. Aliquippa Hospital, 522 Pa. 325, 561 A.2d 733 (1988), Holms v. Lankenau Hospital, 426 Pa. Super 452, 627 A.2d, 763 (1993), Potterfield v. The Trustees of the Hospital of the University of Pennsylvania, 657 A.2d, 1293 (Pa. Super 1995), Brown v. Herman, 665 A.2d, 504 (Pa. Super 1995).

The case before the Court is a much more blatant action in the face of the release, in that, these Defendants specifically released this Plaintiff who is in front of the Court. In the four cases cited above on releases, a third party was excused from suit because of the nature of the general release.

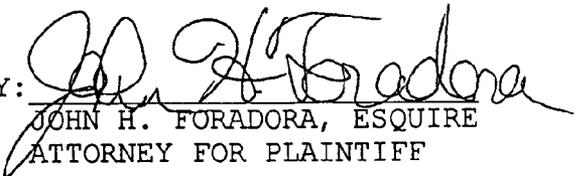
If a third party can be excused because of the nature of a general release, then surely party who is released should not be able to bring a cause of action for damages which had already been included and contemplated at the time of the release. Because of this, the Defendants lack the capacity to sue the Plaintiff due to the fact they have already waived their rights to sue the Plaintiff by signing the General Release, and any inclusion of damages in their Counterclaim or Answer, is the inclusion of scandalous and impertinent matter, which should not be before the Court under the Plaintiff's claim for reimbursement.

With regard to Nos. 3 and 4 indicating that the Court does not have subject matter, jurisdiction, Plaintiff would withdraw those claims as the test for subject matter, jurisdiction, is whether the Court has power to enter into the inquiry, and whether or not it may ultimately decide that it is unable to grant the relief sought. See Studio Theaters, Inc. v. City of Washington, 418 Pa. 73, 209 A.2d, 802 (1965). In this case, the Court can certainly decide the ultimate relief; however, due to the fact that the Defendants signed a General Release to the Plaintiff, the Court should dismiss their Counterclaim for failure to have capacity to sue.

RESPECTFULLY SUBMITTED:

PONTZER & FORADORA

BY:


JOHN H. FORADORA, ESQUIRE
ATTORNEY FOR PLAINTIFF

437 NORTH MAIN STREET
BUTLER, PA 16001-4392



March 14, 1996

VICTOR DESANTIS
• DBA DESANTIS CONSTRUCTION
1600 MAIN ST
BROCKWAY PA 15824

Claim number: 54 37 PR 838-672 6-6-94 51 ZL
Date of loss: 6-6-94
Claimant: Leroy and Carol Little

Dear Mr. DeSantis:

Please be advised that we have settled the above-referenced General Liability Property Damage claim against your policy. Although the subrogation claim presented by Erie Insurance on behalf of the Littles exceeded your policy limits, we were able to negotiate a settlement within your limits in exchange for a General Release. Your interest in this matter has been protected, and we are closing our claim.

Sincerely,

Beth O'Sullivan
Senior Claims Representative ZL
(412) 282-5158

cc: J. D. Petruzzi, #13167

APPLICABLE TO PENNSYLVANIA ONLY: For your protection, Pennsylvania requires the following to appear on this form: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

thudr-t1-11-dsr

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
PLAINTIFF

VS.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
DEFENDANTS

: NO. 1595 OF 1994 C.D.
:
: TYPE OF PLEADING:
: CERTIFICATE OF SERVICE
:
:
: FILED ON BEHALF OF:
: PLAINTIFF
:
: COUNSEL OF RECORD:
: JOHN H. FORADORA, ESQ.
: PONTZER & FORADORA
: 9 SOUTH MILL STREET
: RIDGWAY, PA 15853
: (814) 773-3108
: I.D. NO. 63413

CERTIFICATION OF SERVICE

I hereby certify that I am this day serving the foregoing BRIEF upon the persons and in the manner indicated below, which service satisfies the requirements of the Pennsylvania Rules of Civil Procedure:

Service by First Class Mail, Postage Prepaid,
Addressed As Follows:

CHRIS A. PENTZ, ESQ.
211 ½ EAST MARKET STREET
P.O. BOX 552
CLEARFIELD, PA 16830-0552

PONTZER & FORADORA

Dated: August 20, 1997

By: 
JOHN H. FORADORA, ESQ.
ATTORNEY FOR DEFENDANT

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST STREET
MARINO BUILDING
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

TELEPHONE
(814) 765-4000

FAX
(814) 765-8142

March 5, 1999

Judge John K. Reilly, Jr.
% Court Administrator's Office
Clearfield County Courthouse
Clearfield PA 16830

Re: DeSantis vs Little/No. 94-1595-CD

Dear Judge Reilly:

I am providing you with this Letter Brief as directed by the Court Administrator's office. For purposes of the Preliminary Objections, I am in substantial agreement with the facts as outlined in Attorney Foradora's Brief. The issue of whether the Release in question is a General Release I will leave to the Court's independent review.

I would call the Court's attention to the fact that the Release was executed by Debra Thoreson, an employee of Erie Insurance Group. It is the Defendants' position that Ms. Thoreson lacked any authority to execute a General Release on their behalf.

Sincerely,

Chris A. Pentz

CAP/jms
cc: Mr. & Mrs. Leroy Little
Attorney John Fordora

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : No. 1595 of 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
Plaintiff :
Vs. : STIPULATION
LEROY J. LITTLE and CAROL LITTLE, :
his wife, :
Defendant :

STIPULATION

The parties hereby Stipulate and agree to the following facts:

1. Joint Exhibit "A" and Joint Exhibit "B" attached to this Stipulation shall be entered as a matters of record in this case.
2. Deborah Toreson is an employee of Erie Insurance Group, and she is the person who executed the Release attached as Joint Exhibit "A".



John H. Foradora, Esquire
Attorney for Plaintiff



Chris A. Pentz, Esquire
Attorney for Defendant

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

APR 22 1999

Attest.


Notary Public

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : No. 1595 of 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
Plaintiff :
Vs. : ORDER OF COURT
LEROY J. LITTLE and CAROL LITTLE, :
his wife, :
Defendant :

ORDER

AND NOW, this 22nd day of April, 1999, upon consideration of the evidence submitted by Stipulation and arguments of Counsel, at Argument held April 6, 1999, it is hereby **ORDERED AND DECREED** that Plaintiff's Preliminary Objections to the Defendant's Counter-Claim are **GRANTED** and the Defendant's Counter-Claim is hereby **DISMISSED**.

By the Court:

/s/JOHN K. REILLY, JR.

John K. Reilly, Jr., President Judge

I hereby certify this to be a true and attested copy of the original statement filed in this case.

APR 22 1999
Attest: [Signature]
Deputy Prothonotary

FOR AND IN CONSIDERATION OF the payment to me/us of the sum of (\$ 25,000.00)

Twenty-Five Thousand Dollars and no/100's Dollars, and other good and valuable consideration, I/we, being of lawful age, have released and discharged, and by these presents do for myself/ourselves, my/our heirs, executors, administrators and assigns, release, acquit and forever

discharge Victor DeSantis, DeSantis Construction, and Nationwide Mutual Fire Company

and any and all other persons, firms and corporations, whether herein named or referred to or not, of and from any and all past, present and future actions, causes of action, claims, demands, damages, costs, loss of services, expenses, compensation, third party actions, suits at law or in equity, including claims or suits for contribution and/or indemnity, of whatever nature, and all consequential damage on account of, or in any way growing out of any and all known and unknown personal injuries, death and/or property damage resulting or to result from an accident that occurred on

or about the 6th day of June 1994, at or near Turnpike Ave, Clearfield

I/we hereby declare and represent that the injuries sustained may be permanent and progressive and that recovery therefrom is uncertain and indefinite, and in making this release and agreement it is understood and agreed that I/we rely wholly upon my/our own judgment, belief and knowledge of the nature, extent and duration of said injuries, and that I/we have not been influenced to any extent whatever in making this release by any representations or statements regarding said injuries, or regarding any other matters, made by the persons, firms or corporations who are hereby released, or by any person or persons representing him or them, or by any physician or surgeon by him or them employed.

I/we understand that this settlement is the compromise of a doubtful and disputed claim, and that the payment is not to be construed as an admission of liability on the part of the persons, firms and corporations hereby released by whom liability is expressly denied.

It is agreed that distribution of the above sum shall be made as follows: FULL AND FINAL SETTLEMENT

~~OF PROPERTY DAMAGE CLAIM~~

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are contractual and not a mere recital.

I/we further state that I/we have carefully read the foregoing release and know the contents thereof, and I/we sign the same as my/our own free act.

WITNESS _____ hand and seal this _____ day of _____, 19____.

IN THE PRESENCE OF

Name _____)

Address _____)

Name _____)

Address _____)

State of Pennsylvania)
County of Erie) ss.

CAUTION! READ BEFORE SIGNING

Laura Hanson (Sub Agent) (SEAL)

(SEAL)

ERIE 7

MAR 1 1 1996

On this 11th day of March, 1996, before me personally appeared CLAIMS

_____ to me known to be the person.... described

herein, and who executed the foregoing instrument and _____ acknowledged that _____

_____ voluntarily executed the same.

Notarial Seal
Lynn Pitzer, Notary Public
Erie, Erie County
My Commission Expires Nov. 22, 1999

My term expires _____, 19____

Lynn Pitzer
NOTARY PUBLIC

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1	ERIE Insurance Homeowner's Policy	
2	Release of Victor DeSantis (03/11/96)	
3	Letter of Chris Pentz to Joseph Bucek (11/26/97)	
4	Letter of ERIE Insurance to Chris Pentz (12/18/97)	
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7	Letter Brief of Chris Pentz (03/05/99)	
8	Stipulation DeSantis/Little (04/22/99)	

ERIE INSURANCE GROUP is proud to present this Extracover Homeowner Protector Policy. This important contract between YOU and The ERIE Company is made up of the terms, conditions, exclusions and conditions, a Declarations, plus any endorsement. It is written in plain, simple terms so it can be easily understood. We urge YOU to read this policy.

This policy contains many EXTRA PROTECTION FEATURES developed by The ERIE. Wherever an "X" appears in the margin of this policy, YOU receive EXTRA PROTECTION, either as additional coverage or as a coverage not found in most homeowners policies.

The protection given by this policy is in keeping with the single purpose of our Founders: "To provide YOU with as near PERFECT PROTECTION, as near PERFECT SERVICE, as is humanly possible, and to do so at the LOWEST POSSIBLE COST."

AGREEMENT

ERIE INSURANCE EXCHANGE ONLY

In return for your timely premium payment, your compliance with all of the provisions of this policy, and your signing of a **Subscriber's Agreement** with Erie Indemnity Company and other Subscribers, we agree to provide the coverages you have purchased. Your coverages and amounts of insurance are shown on the **Declarations**, which are part of this policy.

Your signing the **Subscriber's Agreement**, which includes a limited power-of-attorney, permits Erie Indemnity Company, as Attorney-in-Fact, to make reciprocal insurance contracts between you and other Subscribers and otherwise manage the business of the Erie Insurance Exchange. This power-of-attorney applies only to your insurance business at the Exchange and is limited to the purposes described in the **Subscriber's Agreement**.

Your responsibility as a Subscriber is determined by this policy and the **Subscriber's Agreement**. You are liable for just the policy premiums charged and are not subject to any other assessment under the policy.

This agreement is made in reliance on the information you have given us, and is subject to all the terms of this policy.

This policy, all endorsements to it, and the **Subscriber's Agreement** constitute the entire agreement between you and us.

This agreement is made in reliance on the information you have given us, and is subject to all the terms of this policy.

This policy and all endorsements to it constitute the entire agreement between you and us.

APPLICABLE TO ERIE INSURANCE EXCHANGE AND ERIE INSURANCE PROPERTY AND CASUALTY COMPANY

We promise, upon timely payment of the premium and compliance with the provisions of this policy and its endorsements:

1. To cover you from 12:01 A.M., Standard Time, at the location of the insured property, on the date shown on the **Declarations** as the first day of the policy period. Coverage will continue in force until terminated.
2. To protect you up to the amounts specified in the policy.

You may not transfer this policy without our consent.

This policy is made and accepted subject to these and the following provisions, including those which may be added by endorsement.

ERIE INSURANCE PROPERTY AND CASUALTY COMPANY ONLY

In return for your timely premium payment and your compliance with all of the provisions of this policy, we agree to provide the coverages you have purchased. Your coverages and amounts of insurance are shown on the **Declarations**, which are part of this policy.

DEFINITIONS

Throughout your policy and its endorsements the following words have a special meaning when they appear in bold type:

• "aircraft" means any machine or device capable of atmospheric flight except model airplanes.

• "anyone we protect" means you and the following residents of your household:

1. relatives and wards;
2. other persons in the care of anyone we protect.

Under *Home and Family Liability Protection*, anyone we protect also means:

3. any person or organization legally responsible for animals or watercraft which are owned by you, or any person included in 1. or 2., and covered

X
X

by this policy. Any person or organization using or having custody of these animals or watercraft in the course of any business, or without permission of the owner is not anyone we protect;

4. any person with respect to any vehicle covered by this policy. Any person using or having custody of this vehicle in the course of any business use, or without permission of the owner is not anyone we protect.

X • "bodily injury" means physical harm, sickness or disease, including mental anguish, care, loss of services, or resulting death, but does not include:

1. any communicable disease or condition transmitted by anyone we protect to any other person through a parasite, virus, bacteria or any other organism.

2. the exposure to or transmission of any disease, parasite, virus, bacteria or other organism by anyone we protect to any other person.

• "business" means any activity engaged in as a trade, profession or occupation, including farming.

• "Declarations", "Amended Declarations", "Continuation Notice", "Revised Declarations", and "Renewal Certificate" means the forms which show your coverages, amounts of insurance, premium charges and other information. These forms are part of your policy.

• "insured location" means:

1. the residence premises;

2. the part of any other premises, other structures, and grounds acquired by you during the policy period which you intend to use as a residence premises;

3. any premises used by anyone we protect in connection with premises included in 1. or 2.;

4. any part of a non-owned premises:

a. where anyone we protect is temporarily residing; or

b. occasionally rented to anyone we protect for non-business purposes;

5. vacant land, other than farmland, owned by or rented to anyone we protect;

6. land owned by or rented to anyone we protect on which a one or two family residence is being built for occupancy by anyone we protect;

7. cemetery plots or burial vaults of anyone we protect.

X
X • "medical expense" means reasonable charges for necessary medical, surgical, x-ray and dental services, including prosthetic devices, eyeglasses, contacts, hearing aids and pharmaceuticals; and also includes ambulance, hospital, licensed nursing and funeral services.

• "occurrence" means an accident, including continuous or repeated exposure to the same general harmful conditions.

• "personal injury" means injury arising out of:

1. bodily injury;

2. libel, slander, or defamation of character;

3. false arrest, wrongful detention or imprisonment, malicious prosecution, racial or religious discrimination, wrongful entry or eviction, invasion of privacy, or humiliation caused by any of these.

• "property damage" means damage to or loss of use of tangible property.

• "residence employee" means an employee of anyone we protect who performs duties in connection with the maintenance or use of the residence premises, including similar duties elsewhere, not in connection with the business of anyone we protect.

• "residence premises" means the dwelling where you reside, including the structures and grounds, or that part of any other building where you reside and which is shown as residence premises on the Declarations.

ADDITIONAL ERIE INSURANCE EXCHANGE DEFINITIONS

The following words have special meaning in policies issued by *Erie Insurance Exchange*:

• "Subscriber" means the person(s) who signed the Subscriber's Agreement.

• "Subscriber's Agreement" means the agreement, including a limited power-of-attorney, among the Subscribers and the Erie Indemnity Company, as Attorney-in-Fact.

• "We", "us", or "our" means the Subscribers at *Erie Insurance Exchange* as represented by their common Attorney-in-Fact, Erie Indemnity Company.

• "You", "your", or "Named Insured" means the Subscriber and others named on the Declarations under Named Insured. Except in the GENERAL POLICY CONDITIONS, these words include the spouse of the Subscriber if a resident of the same household.

ADDITIONAL ERIE INSURANCE PROPERTY AND CASUALTY COMPANY DEFINITIONS

The following words have special meaning in policies issued by *Erie Insurance Property and Casualty Company*:

• "We", "us", or "our" means *Erie Insurance Property and Casualty Company*.

• "You", "your", or "Named Insured" means the person(s) named on the Declarations under Named Insured. Except in the GENERAL POLICY CONDITIONS, these words include your spouse if a resident of the same household.

WHEN AND WHERE THIS POLICY APPLIES

This policy applies to losses that occur during the policy period. The policy period is shown on the **Declarations** or **Amended Declarations**.

Property Protection -- Section I. This policy applies to property losses as designated in the specific coverage and at the location(s) insured under this policy. In addition,

personal property is covered while located anywhere in the world.

Home and Family Liability Protection -- Section II. This policy applies to personal injury and property damage losses occurring anywhere in the world.

PROPERTY PROTECTION -- SECTION I

DWELLING COVERAGE

OUR PROMISE

We will pay for loss to:

1. Your dwelling at the residence premises shown on the **Declarations**. Dwelling includes attached structures, and building equipment and fixtures servicing the premises.
2. Construction material at the residence premises for use in connection with your dwelling.

This coverage does not apply to land.

OTHER STRUCTURES COVERAGE

OUR PROMISE

We will pay for loss to:

1. Other structures at the residence premises separated from the dwelling, including garages, fences, shelters, tool sheds or carports.
Structures connected to the dwelling by only a fence, utility line, or similar connection are considered to be other structures.
2. Construction material at the residence premises for use in connection with your other structures.

We do not pay for loss to structures used in whole or in part for **business** purposes (except rental or holding for rental of structures used for private garage purposes).

This coverage does not apply to land.

PERSONAL PROPERTY COVERAGE

OUR PROMISE

We will pay for loss to:

1. Personal property owned or used by anyone we protect anywhere in the world.
2. At your option, personal property owned by others while the property is on your residence premises.
3. At your option, personal property of:

a. guests and residence employees while the property is in a residence occupied by anyone we protect;

b. residence employees away from the residence premises while actually engaged in the service of anyone we protect. X

4. At your option, building additions, alterations, fixtures, improvements or installations made, or acquired at your expense, by you to residences occupied by, but not owned by you, for an amount not exceeding 10% of the amount of insurance under this coverage. Payment will not increase the applicable amount of insurance under this policy. X

5. Cemetery property, including monuments, headstones, gravemarkers, and urns.

6. Animals, birds and fish, but only while on the residence premises, for the following perils to the extent covered under *Perils We Insure Against: Fire or Lightning, Windstorm or Hail, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Smoke and Vandalism or Malicious Mischief*. X

7. Electronic apparatus and equipment, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power. Electronic apparatus includes cellular phones, fax machines, radios, tape and disc players, and similar equipment or devices for the recording, reproduction, receiving or transmitting of sound or pictures. Electronic apparatus also includes accessories used in conjunction with such apparatus, including antennas, tapes, wires, records, discs or other media. X

We do not pay for loss to electronic apparatus and equipment which is solely powered from the electrical system of motor vehicles or any other motorized land conveyances. Accessories to these devices, including antennas, tapes, wires, records, discs or other media are not covered while in or upon the motor vehicle or conveyance. However, when there is a loss of tapes or compact discs by theft, we will pay up to \$150 for the tapes or compact discs.

We do not pay for loss to:

1. Land motor vehicles and parts. We do cover vehicles designed to assist the handicapped, and vehicles used to service the residence premises, not subject to motor vehicle registration. X

2. Aircraft and parts.

- | | | | |
|---|--|--|---|
| 3. Property rented or held for use by others away from the residence premises. | \$500 | Business property away from the residence premises, regardless of whether the business is conducted on or away from the residence premises. | X |
| 4. Property of roomers, boarders or tenants not related to anyone we protect. | | | |
| 5. | \$3000 | •Theft of guns | X |
| a. Books of account, drawings, or other paper records containing business data; or | \$3000 | •Theft of jewelry, watches, furs, precious and semi-precious stones | X |
| b. Electronic data processing tapes, wires, records, discs, or other software media containing business data. | \$3000 | •Theft of silverware, silver-plated ware, goldware, gold-plated ware and pewterware | X |
| However, we do cover the cost of unexposed or blank records or media. | 10% of Personal Property Coverage — (but not less than \$2000) | •Personal property usually situated at any residence owned or occupied by anyone we protect other than a residence premises. Personal property in a newly-acquired principal residence is not subject to this limitation for the 30 days immediately after you begin to move property there. | X |
| 6. Radar detectors. | | | |
| 7. Property specifically insured by this or any other insurance. | | | |
| 8. Except as provided under <i>Special Limits -- Personal Property</i> , property pertaining to a business conducted away from the residence premises unless at the time of loss such property is on the residence premises. However, we do not cover such property on the residence premises while it is stored, held as samples, or held for sale or delivery after sale. | | | |

LOSS OF USE COVERAGE

OUR PROMISE

If an insured property loss makes your residence premises uninhabitable, we will pay all reasonable additional living expenses while you and members of your household reside elsewhere.

Payment shall be for the shortest time required to repair or replace the premises or, if you choose, for you to permanently relocate.

These payments will not exceed a 12 month period.

We will also pay for your loss of normal rents resulting from the loss, less charges and expenses which do not continue while the rented part of the residence premises is uninhabitable. We will pay this loss of normal rents only until the rented part is habitable.

If a loss from a peril covered under *Perils We Insure Against* occurs at a neighboring premises, we will pay additional living expenses and loss of normal rents for up to two weeks should civil authorities prohibit you from occupying your premises.

These periods of time are not limited by the expiration of this policy.

No deductible applies to this coverage.

We will not pay for loss or expense due to the cancellation of any lease or agreement.

This coverage also applies to a loss at a covered secondary location.

SPECIAL LIMITS - PERSONAL PROPERTY

Limitations apply to the following personal property. These limits do not increase the amount of insurance under *Personal Property Coverage*:

Total Amount of Insurance In Any One Loss	Description of Personal Property Subject to Limitations
\$250	•Animals, birds and fish
X \$250	•Money, bank notes, bullion, numismatic property, gold other than goldware or gold-plated ware, silver other than silverware or silver-plated ware, and platinum
\$1000	•Theft of trading cards, including sports cards.
X \$2000	•Accounts, bills, deeds, evidences of debt, letters of credit, notes other than bank notes, passports, securities, tickets, stamps and philatelic property
X \$2000	•Trailers and campers not otherwise insured, whether licensed or not
X \$2000	•Watercraft, including their trailers, whether licensed or not, furnishings, equipment and outboard motors
\$2000	•Manuscripts
\$2500	•Property pertaining to a business actually conducted on the residence premises, including property in storage, held as samples, or held for sale or delivery after sale.

PERILS WE INSURE AGAINST

DWELLING AND OTHER STRUCTURES COVERAGES

We pay for risks of direct physical loss to property insured under the *Dwelling and Other Structures Coverages* except as excluded or limited herein.

We do not pay for loss:

1. Involving collapse, other than as provided in *Additional Losses We Will Pay, (2) Collapse*;
2. Caused by freezing by temperature reduction of a plumbing, heating, air conditioning, gutters and drain spouts, or fire protective system, or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing, while the dwelling is vacant, unoccupied or being constructed.

There is coverage if you have used reasonable care to:

- a. maintain heat in the building; or
 - b. shut off the water supply and drain the system or appliances of water.
3. By freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a fence, pavement, patio, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock.
 4. Caused by constant or repeated seepage or leakage of water or steam over a period of weeks, months or years from within a plumbing, heating, air conditioning, or fire protective system, or a household appliance.

However, there is coverage if the loss is sudden and accidental.

5. Caused by:
 - a. termites, vermin, insects, rodents, birds, skunks, raccoons, spiders or reptiles;
 - b. mechanical breakdown, deterioration, wear and tear, marring, inherent vice, latent defect, rust, smog, wet or dry rot, mold, fungus or spores;
 - c. contamination;
 - d. smoke from agricultural smudging or industrial operations;
 - e. bulging, cracking, expansion, settling or shrinking in ceilings, foundations, floors, patios, pavements, roofs or walls.

If a. through e. cause water damage not otherwise excluded, from a plumbing, heating, air conditioning, gutters or drain spouts, or fire protective system, household appliance, waterbed or aquarium, we cover loss caused by the water. Coverage includes the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. This does not include loss to the defective system or appliance (other than a waterbed or aquarium) from which the water escaped.

6. Caused by weather conditions if any peril excluded by this policy contributes to the loss in any way.
7. Caused by acts or decisions, including the failure to act or decide, of any person, group, organization, or governmental body if any peril excluded by this policy contributes to the loss in any way.
8. Caused by, resulting from, contributed to or aggravated by faulty or inadequate
 - a. planning, zoning, development;
 - b. design, development of specifications, workmanship, construction;
 - c. materials used in construction; or
 - d. maintenance;of property whether on or off the residence premises by any person, group, organization, or governmental body if any peril excluded by this policy contributes to the loss in any way.
9. Caused by animals or birds kept by anyone we protect or kept by a residence employee of anyone we protect.
10. By theft of property from within a dwelling under construction unless that property has become a part of the building, or of materials and supplies for use in the construction until the dwelling is completed and occupied.

Under items 1. through 10. any ensuing loss not excluded is covered.

See *Section I - What We Do Not Cover - Exclusions* for additional losses excluded.

PERSONAL PROPERTY COVERAGE

We pay for direct physical loss to property insured under *Personal Property Coverage* caused by any of the following perils, unless the loss is excluded elsewhere under this policy:

1. Fire or Lightning.
2. Windstorm or Hail, but not including loss:
 - a. caused by frost, cold weather, ice, snow, sleet, sand or dust;
 - b. to property contained in a building, unless the building is first damaged by the direct force of wind or hail; or
 - c. to watercraft (except rowboats and canoes at an insured location) and their trailers, furnishings, equipment and motors unless inside a fully enclosed building.
3. Explosion.
4. Sonic Boom.
5. Riot or Civil Commotion.
6. Aircraft, including missiles and spacecraft.
7. Vehicles.
8. Smoke, if the loss is sudden and accidental.

This does not include loss caused by smoke from agricultural smudging or industrial operations.

9. **Vandalism or Malicious Mischief**

- X 10. **Theft**, including attempted theft and loss of property from a known location when it is likely that the property has been stolen. We also cover direct loss of covered personal property by theft while it is unattended in or on a motor vehicle, trailer, or watercraft.

This does not include:

- a. theft committed by anyone we protect;
- b. theft of property from within a dwelling under construction unless that property has become a part of the building, or of materials and supplies for use in the construction until the dwelling is completed and occupied;
- c. theft of property while at another dwelling or adjacent structures owned by, rented to, or occupied by anyone we protect unless anyone we protect is temporarily residing there. Property of a student we protect is covered while at a residence away from home.

Theft losses must be promptly reported to us and to the police.

X X X 11. **Falling Objects**, but not including:

- a. loss to property contained in a building, unless the falling object first damages the building exterior; or
- b. damage to the falling object.

12. **Weight of Ice, Snow or Sleet.**

This does not include loss to personal property outside the building.

13. **Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning system, or fire protective system, or an appliance for heating water.**

This does not cover loss caused by or resulting from freezing.

14. **Freezing by temperature reduction of a plumbing, heating, air conditioning, or fire protective system, or of a household appliance.**

This does not include loss on the residence premises while the dwelling is unoccupied unless you have used reasonable care to:

- a. maintain heat in the building, or
- b. shut off the water supply and drain the system or appliances of water.

- X 15. **Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning, or fire protective system, household appliance, waterbed or aquarium.**

This does not include loss:

- a. to a building caused by constant or repeated seepage or leakage over a period of weeks, months or years;
- b. to the defective system or appliance (other than a waterbed or aquarium);
- c. caused by or resulting from freezing;

- d. on the residence premises caused by accidental discharge or overflow which occurs off the residence premises;

- e. caused by overflow from gutters or drain spouts.

For this peril, a plumbing system does not include a sump, sump pump or related equipment.

16. **Damage due to a sudden and accidental surge of electrical current.**

17. **Volcanic Eruption.**

This does not include loss caused by earthquake, land shock waves or tremors.

Volcanic eruptions occurring within a 72 hour period will be considered one volcanic eruption.

WHAT WE DO NOT COVER -- EXCLUSIONS

(Also see specific Exclusions under Dwelling and Other Structures Coverages -- Perils We Insure Against)

We do not pay for loss resulting directly or indirectly from any of the following, even if other events or happenings contributed concurrently, or in sequence, to the loss:

1. by earth movement, due to natural or manmade events, meaning earthquake including land shock waves, or tremors before, during, or after a *Volcanic Eruption*, mine subsidence, sinkhole, landslide, mudslide, mud flow, earth sinking, rising, or shifting. Direct loss by *Fire, Explosion, Sonic Boom, Theft* or *Breakage of Glass* resulting from earth movement, mine subsidence, sinkhole, landslide, mudslide, mud flow, earth sinking, rising or shifting is covered.
2. by water damage, meaning:
 - a. flood, surface water, waves, tides, tidal water or overflow of a body of water. We do not cover spray from any of these, whether or not driven by wind;
 - b. water or sewage which backs up through sewers or drains, or water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or
 - c. water below the surface of the ground. This includes water which exerts pressure on, or flows, seeps or leaks through any part of a building or other structure, sidewalk, driveway, foundation, or swimming pool.

We do pay for direct loss that follows, caused by *Fire, Explosion, Sonic Boom* or *Theft*.

3. by power interruption if the interruption takes place away from the residence premises. If a loss from a peril covered under *Perils We Insure Against* happens on the residence premises as a result of a power interruption, we will cover only loss caused by that peril.
4. by war, whether declared or undeclared, discharge of a nuclear weapon (even if accidental), hostile or warlike action in time of peace or war, insurrection, rebellion, revolution, civil war, usurped power,

including action taken by governmental authority in defending against such an occurrence.

5. by nuclear action or radiation or radioactive contamination, however caused. Nuclear action includes nuclear reaction, discharge, radiation or radioactive contamination, whether manmade or occurring naturally.

Loss caused by nuclear action is not considered loss by *Fire, Explosion, Sonic Boom* or *Smoke*.

If loss by *Fire* results, we will pay for that resulting loss.

6. by radon gas contamination.
7. by the enforcement of any ordinance or law regulating the construction, repair or demolition of a building or other structure, unless specifically provided under this policy. We do cover loss caused by actions of civil authorities to prevent the spread of a fire caused by a peril covered under *Perils We Insure Against*.
8. by neglect of **anyone we protect** to use all reasonable means to protect covered property at and after the time of loss or when property is threatened by a peril covered under *Perils We Insure Against*.
9. by intentional loss, meaning any loss arising from an act committed by or at the direction of **anyone we protect** with the intent to cause a loss.

ADDITIONAL LOSSES WE WILL PAY

(1) AUTOMATIC GARAGE DOOR OPENER

We will pay up to \$500 for loss to personal property, including the garage door, at the residence premises resulting from the use or malfunction of an automatic garage door opener.

(2) COLLAPSE

We will pay for direct physical loss to insured property involving collapse of a building, or any part of a building, caused only by one or more of the following:

1. *Fire or Lightning, Windstorm or Hail, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Vandalism or Malicious Mischief, Breakage of Glass, Falling Objects, or Weight of Ice, Snow or Sleet;*
2. hidden decay, or hidden insect or vermin damage;
3. weight of people, animals, contents or equipment;
4. weight of rain which collects on a roof;
5. use of defective materials or methods in construction, remodeling, or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

We will not be liable for loss under 2., 3., 4. or 5. above to the following property unless the loss is a direct result of the collapse of a building:

Cloth awnings, fences, pavements, patios, swimming pools, underground pipes, flues, drains, cesspools, septic tanks, foundations, retaining walls, bulkheads, piers, wharves or docks.

Collapse does not include settling, cracking, shrinkage, bulging or expansion.

Payment does not increase the amount of insurance applying to the loss.

(3) CREDIT CARD, CHARGE PLATE, CHECK FORGERY AND COUNTERFEIT MONEY PROTECTION

We will pay up to \$2500 for the legal obligation of **anyone we protect** to pay because of *Theft*, forgery or unauthorized use of any credit or fund transfer card, charge plate, check or negotiable instrument issued to or registered in the name of **anyone we protect**. We will also pay for loss each time **anyone we protect** unknowingly accepts counterfeit money. X

No deductible applies to this coverage. We require evidence of loss.

We will not pay for:

1. loss arising from any business;
2. loss arising from **anyone we protect**.

When loss is discovered, **anyone we protect** must give us immediate notice. If the loss involves a credit or fund transfer card or charge plate, **anyone we protect** must also give immediate notice to the issuer of the card or plate. Failure to comply with the terms and conditions of the card or plate voids this protection.

If a loss occurring during the policy period is discovered within a year after the policy has been cancelled, we will pay for the loss. If a prior loss is discovered during the policy period and no other insurance applies, we will pay for the loss. We have the right to investigate and settle any claim or suit before making payment. Full payment of the amount of insurance ends our obligation under each claim or suit. X

Repeated losses caused by or involving one person are to be considered one loss.

If a claim is made or suit is brought against **anyone we protect** for liability under the *Credit Card or Charge Plate Protection*, we will provide a defense. The defense will be at our expense, with a lawyer we choose.

We have the option under the *Check Forgery Protection* to defend at our expense **anyone we protect** or their bank against a suit for the enforcement of payment.

(4) DEBRIS REMOVAL AFTER LOSS

We will pay the expense for removal of:

1. debris of covered property following loss under *Perils We Insure Against*;
2. ash, dust or particles from *Volcanic Eruption* that has caused direct loss to a building or property within a building; or
3. fallen trees which cause damage to covered property, provided coverage is not afforded elsewhere by this policy.

If the amount of insurance applying to the loss is exhausted, we will pay up to an additional 5% of the

amount of insurance applying to the damaged property for removal of debris.

We will also pay up to \$500 per occurrence for the removal of fallen trees on the residence premises if loss is caused by *Windstorm, Hail or Weight of Ice, Snow or Sleet* even when covered property is not damaged.

(5) EMERGENCY REMOVAL OF PROPERTY

We will pay for property damaged in any way while removed from your residence premises because of danger from an insured peril. Coverage is limited to a 30-day period from date of removal. Payment will not increase the amount of insurance applying to the loss.

(6) FIRE DEPARTMENT SERVICE CHARGES

X We will pay all reasonable fire department service charges to save or protect insured property. Payment is in addition to the amount of insurance applying to the loss.

No deductible applies to this coverage.

(7) FIRE EXTINGUISHER RECHARGE

X We will pay expenses incurred to recharge portable fire extinguishers after they are used to fight a fire.

No deductible applies to this coverage.

(8) LOCK REPLACEMENT AFTER LOSS

At your request, we will pay up to \$250 to replace keys and locks to the exterior doors of the residence premises, as well as keys and locks to your other property (autos, boats, etc.), if the keys are stolen during a *Theft* loss. This coverage does not apply to keys and locks pertaining to business property.

No deductible applies to this coverage.

X We will pay for replacement of automatic garage door transmitters when a transmitter has been stolen. Coverage is also provided for the cost to reprogram the frequency on additional transmitters and/or the control unit box.

No deductible applies to the replacement of automatic garage door transmitters.

(9) LOSS ASSESSMENT

(Applicable to Section I and Section II - Personal Liability Coverage Only)

We will reimburse you for an assessment charged against you as owner or tenant of the residence premises by an association or corporation of property owners, minus any other valid and collectible insurance available to the association or corporation covering the same assessment. Under *Property Protection - Section I*, the assessment must result from a direct loss to property, owned by all the property owners collectively, caused by any of the *Perils We Insure Against*. Under *Section II - Personal Liability Coverage Only*, the assessment must result from an occurrence covered under this policy.

Unless otherwise shown on the Declarations, our amount of insurance for this protection is \$5000 per assessment. X

If you are assessed for a covered water loss, we will pay your share of the cost of tearing out and replacing any part of an insured location necessary to repair the system or appliance.

The policy deductible applies under *Property Protection - Section I* only.

We will not pay if the loss is caused by earthquake or land shock waves or tremors which occur before, during or after a *Volcanic Eruption*.

We also will not pay for any loss assessments charged by a governmental body.

(10) MECHANICAL SERVANT AND ROBOT PROTECTION

We will pay up to \$500 for loss to personal property at the residence premises caused by malfunction of a mechanical servant or robot.

(11) NON-OWNED RESIDENCES

We will pay up to \$1000 for loss by *Theft* and *Vandalism or Malicious Mischief* to residences occupied by, but not owned by anyone we protect.

(12) REFRIGERATED PRODUCTS

We will pay for loss to the contents of refrigerator or freezer units on the residence premises from either power or mechanical failure. X

Coverage will be void if the contents are on the residence premises for business purposes.

(13) TEMPERATURE CHANGE X

We will pay for loss to insured personal property resulting from change of temperature. There must first be damage done by a peril covered under *Perils We Insure Against* occurring at the residence premises. Payment will not increase the amount of insurance applying to the loss.

(14) TEMPORARY REPAIRS AFTER LOSS

We will pay for reasonable and necessary expenses for temporary repairs to protect covered property from further damage after loss by a peril covered under *Perils We Insure Against*. Payment will not increase the amount of insurance applying to the loss.

(15) TREES, SHRUBS, PLANTS AND LAWNS

We will pay up to an additional 5% of the amount of insurance under *Dwelling Coverage* for loss to trees, shrubs, plants and lawns at the residence premises.

Coverage applies only to loss caused by the following perils covered under *Perils We Insure Against*: *Fire or Lightning, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Smoke, Vandalism or Malicious Mischief* and *Theft*. X

We will not pay for:

1. more than \$500 on any one tree, shrub or plant;
2. damage to lawns by vehicles owned or operated by a resident of the residence premises;
3. trees, shrubs, plants or lawns grown for business purposes.

DEDUCTIBLE

We will pay for loss minus the deductible shown on the Declarations. Unless otherwise provided in an endorsement, in the event of total loss to the *Dwelling* from a covered peril, the deductible will not apply. X

The deductible does not apply to:

1. *Loss of Use Coverage.*
2. *Credit Card, Charge Plate, Check Forgery and Counterfeit Money Protection.*
3. *Fire Department Service Charges.*
4. *Fire Extinguisher Recharge.*
5. *Lock Replacement After Loss.*

RIGHTS AND DUTIES -- CONDITIONS

(1) ABANDONMENT OF PROPERTY

We need not accept abandoned property.

(2) APPRAISAL

If you and we fail to agree on the amount of loss, on the written demand of either, each party will choose a competent appraiser and notify the other of the appraiser's identity within 20 days after the demand is received. The appraisers will select a competent and impartial umpire. If the appraisers are unable to agree upon an umpire within 15 days after both appraisers have been identified, you or we can ask a judge of a court of record in the state where your residence premises is located to select an umpire.

The appraisers shall then set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of loss. If they cannot agree, they will submit their differences to the umpire. A written award by two will determine the amount of loss.

Each party will pay the appraiser it chooses, and equally bear expenses for the umpire and all other expenses of the appraisal. However, if the written demand for appraisal is made by us, we will pay for the reasonable cost of your appraiser and your share of the cost of the umpire.

We will not be held to have waived any rights by any act relating to the appraisal.

X (3) AUTOMATIC ADJUSTMENT OF COVERAGE AMOUNTS

This policy provides you with a guard against the effects of inflation in construction costs.

We will keep track of costs and at the next policy period we will adjust the amount of your building coverage if necessary. Adjustments in other coverages (*Other Structures Coverage* and *Personal Property Coverage*) will also be made proportionately. Your premium will be

adjusted at each policy period to reflect any change in the amount of insurance.

During the policy period, if there is an increase in construction costs and a loss occurs, we will reflect the increase in the amount of insurance before making payment. There will be no charge for this additional coverage.

However, if for any reason other than inflation or construction costs, the amount of insurance on your home becomes inadequate, or if you made substantial improvements to your home and failed to notify us to increase the amount of your insurance, the amount of insurance shown on the Declarations will be the full amount available should a loss occur.

(4) ERIE OPTION

If we give you written notice within 30 days after we receive your signed, sworn statement of loss, we may repair or replace any part of the property damaged with equivalent property.

(5) GLASS REPLACEMENT

Loss to glass caused by a peril covered under *Perils We Insure Against* will be settled on the basis of replacement with safety glazing materials when required by law.

(6) INCREASE OF HAZARD

Unless we agree beforehand, coverage is suspended if the hazard is substantially increased by any means within the control or knowledge of anyone we protect.

(7) LOSS PAYMENT

We will settle any claim for loss with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. We will pay within 30 days after we receive your proof of loss and the amount of loss is finally determined by one of the following:

- a. we have reached an agreement with you; or
- b. there is an entry of final judgment; or
- c. there is a filing of an appraisal award on your behalf.

(8) LOSS SETTLEMENT

The following types of losses will be settled on an actual cash value basis. This means that we will deduct for depreciation.

Losses to:

- property insured under *Personal Property Coverage*
- structures that are not buildings or carports
- carpeting
- household appliances
- X • cloth awnings
- outdoor antennas and outdoor equipment, whether or not attached to buildings
- insured buildings and structures which do not meet the requirements for a replacement cost settlement described below.

The actual cash value will be determined at the time of the loss. Payment will not exceed the amount necessary to repair or replace the damaged property.

Dwelling and Other Structures Coverage

Loss under *Dwelling Coverage* or *Other Structures Coverage* will be settled by one of the following methods:

- X 1. REPLACEMENT COST SETTLEMENT (meaning we will not deduct for depreciation):
 - a. provided the *Declarations* shows the *Automatic No-Depreciation Settlement* applies; or
 - b. if at the time of the loss, the amount of insurance applying to the insured building is 80% or more of the full replacement cost of the building immediately prior to the loss; or
 - X c. if the cost to repair or replace the damage to an insured building is both:
 - 1) less than \$2500; and
 - 2) less than 5% of the amount of insurance on the building.

In making a replacement cost settlement, we will pay you the cost of repair or replacement, without deduction for depreciation. Payment will not exceed the smallest of the following amounts:

- a. the amount of insurance applying to the building; or
- b. the replacement cost of that part of the building damaged for equivalent construction and use on the same premises; or
- c. the actual amount spent to repair or replace the damaged building.

In determining 80% of the full replacement cost of the building, the value of the following will not be considered:

- a. excavation.
- b. foundations below the basement floor,
- c. piers and other supports below the basement floor,
- d. if there is no basement, the value of all items below the surface of the ground inside the foundation walls.

2. LESS THAN FULL REPLACEMENT COST SETTLEMENT

If full replacement cost settlement does not apply, we will pay the larger of the following amounts, but not exceeding the amount of insurance under this policy applying to the building:

- a. the actual cash value of that part of the building damaged; or
- b. that proportion of the full cost to repair or replace the damage which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

We will pay no more than the actual cash value of the damage until the actual repair or replacement is completed. However, when the loss is both less than \$2500 and less than 5% of the amount of insurance on the building, we will pay the full replacement cost before actual repair or replacement is completed.

You may disregard the replacement cost provision and make claim for loss or damage to buildings on an actual cash value basis.

You have the right to make claim, within 180 days after the loss, for any additional amounts we will be required to pay under this *Loss Settlement* provision.

(9) LOSS TO A PAIR OR SET

If there is a loss to a pair or set we may:

- a. repair or replace any part of the pair or set to restore it to its value before the loss; or
- b. pay the difference between actual cash value of the property before and after the loss.

(10) MORTGAGE CLAUSE

Loss under *Dwelling Coverage* or *Other Structures Coverage* shall be payable to mortgagees named on the *Declarations*, to the extent of their interest and in the order of precedence.

Our Duties

We will:

- a. protect the mortgagee's interests in an insured building. This protection will not be invalidated by any act or neglect of anyone we protect, any breach of warranty, increase in hazard, change of ownership, or foreclosure if the mortgagee has no knowledge of these conditions;
- b. give mortgagee 30 days notice before cancellation X or refusal to continue this policy.

Mortgagee's Duties

The mortgagee will:

1. furnish proof of loss within 60 days if you fail to do so;
2. pay upon demand any premium due if you fail to do so;
3. notify us of any change of ownership or occupancy or any increase in hazard of which the mortgagee has knowledge;
4. give us the right of recovery against any party liable for loss. This shall not impair the mortgagee's right to recover the full amount of the mortgage debt;
5. after a loss, permit us to satisfy the mortgage requirements and receive full transfer of the mortgage and all securities held as collateral to the mortgage debt.

Policy conditions relating to *Appraisal, Loss Payment* and *Suit Against Us* apply to the mortgagee.

This condition shall apply to any trustee or loss payee named on the **Declarations**.

(11) NO BENEFIT TO BAILEE

No bailee shall benefit, directly or indirectly, from this insurance.

(12) OTHER INSURANCE

If both this insurance and other insurance apply to a loss, we will pay our share. Our share will be the proportionate amount that this insurance bears to the total amount of all applicable insurance, except insurance in the name of an association or corporation of property owners.

If there is other insurance in the name of an association or corporation of property owners covering the same property covered by this policy, the other insurance applies first.

(13) PERMISSION GRANTED TO YOU

Coverage applies even when your described dwelling is vacant or unoccupied, except where limited under *Perils We Insure Against*.

You may make alterations, additions and repairs to your building, and complete structures under construction.

You may waive your rights to recovery against another involving the insured property. This must be done in writing prior to a loss.

(14) RECOVERY OF PROPERTY

If we have made payment on property which has later been recovered by you or us, you or we will notify the other of the recovery. You have a right to the recovered property. If you elect to have the property, you will repay us the amount of our payment to you.

(15) SUIT AGAINST US

We may not be sued unless there is full compliance with all the terms of this policy. Suit must be brought within one year (Maryland - three years and Virginia - two years) after the loss or damage occurs.

(16) YOUR DUTIES AFTER A LOSS

In case of a covered loss, you must:

1. give us or our Agent immediate notice of the loss. If the loss is due to criminal activity or theft, you must also notify the police (except Virginia);
2. do whatever possible to recover and protect the property from further damage. If it is necessary to protect the property, you must make reasonable repairs, and keep a record of all repair costs;
3. furnish a complete inventory of damaged property including quantity, actual cash value and amount of loss claimed;
4. produce for examination, with permission to copy, all books of accounts, bills, invoices, receipts, other vouchers and other financial information as we may reasonably require;
5. show us or our representative the damaged property, as often as may be reasonably required;
6. submit to examinations under oath and sign a transcript of the same;
7. send us, within 60 days after the loss, your signed and sworn proof of loss statement which includes an explanation of the following:
 - a. time and cause of loss;
 - b. your interest in the property and the interest of all others involved;
 - c. any encumbrances on the property;
 - d. other policies which may cover the loss;
 - e. any changes in title, use, occupancy or possession of the property which occurred during the policy term;
 - f. when required by us, any plans, specifications and estimates for the repair of the damaged building;
 - g. the inventory of damaged property as prepared in 3. of this condition;
 - h. receipts for any additional living costs as a result of the loss, and records of pertinent rental loss;
 - i. in case of claim under *Credit Card, Charge Plate, Check Forgery and Counterfeit Money Protection*, an affidavit stating amount, time and cause of loss.

HOME AND FAMILY LIABILITY PROTECT V -- SECTION II

PERSONAL LIABILITY COVERAGE

OUR PROMISE

We will pay all sums up to the amount shown on the Declarations, which anyone we protect becomes legally obligated to pay as damages because of personal injury or property damage resulting from an occurrence during the policy period. We will pay for only personal injury or property damage covered by this policy.

We may investigate or settle any claim or suit for damages against anyone we protect, at our expense. If anyone we protect is sued for damages because of personal injury or property damage covered by this policy, we will provide a defense with a lawyer we choose, even if the allegations are not true. We are not obligated to pay any claim or judgment or defend any suit if we have already used up the amount of insurance by paying a judgment or settlement.

MEDICAL PAYMENTS TO OTHERS COVERAGE

OUR PROMISE

We will pay the necessary medical expenses incurred or medically determined within three years from the date of an accident causing personal injury. This three-year limitation does not apply to funeral expenses.

This coverage does not apply to you or regular residents of your household, other than residence employees.

To others, we will pay only in the following situations:

1. To a person on an insured location with the permission of anyone we protect; or
2. To a person off an insured location if the personal injury:
 - a. arises out of a condition on an insured location or adjoining ways;
 - b. is caused by the activities of anyone we protect;
 - c. is caused by a residence employee in the course of employment by anyone we protect;
 - d. is caused by an animal anyone we protect owns or is caring for.

Payment under this coverage is not an admission of liability by us or anyone we protect.

WHAT WE DO NOT COVER – EXCLUSIONS

PERSONAL LIABILITY COVERAGE

MEDICAL PAYMENTS TO OTHERS COVERAGE

We do not cover under *Personal Liability Coverage* and *Medical Payments To Others Coverage*:

1. Personal injury or property damage expected or intended by anyone we protect.
2. Personal injury or property damage arising out of business pursuits of anyone we protect.

We do cover:

- a. activities normally considered non-business;
- b. business pursuits of salespersons, collectors, messengers and clerical office workers employed by others. We do not cover installation, demonstration and servicing operations; X
- c. business pursuits of educators while employed by others as educators, including corporal punishment of pupils; X
- d. incidental business activities of anyone we protect. These include, but are not limited to, baby-sitting, caddying, lawn care, newspaper delivery and other similar activities. X

We do not cover regular business activities or business activities for which a person is required to be licensed by the state.

- e. the ownership of newly-acquired one or two family dwellings, but only for a period of 30 consecutive days after acquisition unless described on the Declarations. X
3. Personal injury or property damage arising out of the rental or holding for rental of the residence premises by anyone we protect.

We do cover if the residence premises is:

- a. occasionally rented or held for rental to others as a residence;
- b. rented or held for rental in part as a residence, unless for the accommodation of more than three roomers or boarders;
- c. rented or held for rental in part as an office, school, studio or private garage.
4. Personal injury or property damage arising out of the rendering or failing to render professional services.
5. Personal injury or property damage arising out of any premises owned by or rented to anyone we protect which is not an insured location. This exclusion does not apply to personal injury to a residence employee arising out of and in the course of employment by anyone we protect.

6. **Personal injury or property damage** arising out of the ownership, maintenance or use
- a. aircraft;
 - b. any land motor vehicle owned or operated by or rented or loaned to **anyone we protect**.

We do cover motor vehicles if:

- 1) they are used exclusively at an **insured location** and not subject to motor vehicle registration;
- 2) they are kept in dead storage at an **insured location**;
- 3) they are a recreational land motor vehicle not designed for use on public roads while at an **insured location**;
- X 4) they are a golf cart, wherever used or located;
- X 5) they are a lawn or farm type vehicle or snowblower, wherever used or located, if not subject to motor vehicle registration.
- 6) they are designed to assist the handicapped.

c. watercraft:

- X 1) owned by or frequently rented to **anyone we protect** if it has inboard or inboard-outdrive motor power of more than 75 horsepower;
- X 2) owned by or frequently rented to **anyone we protect** if it is a sailing vessel 26 feet or more in length; or
- X 3) powered by one or more outboard motors with more than 75 total horsepower owned by **anyone we protect** at the beginning of the policy period.

However, if **anyone we protect** acquires watercraft, regardless of horsepower, coverage applies during the policy period. If the watercraft is acquired within 60 days of the end of the policy period, we will provide coverage for a maximum of 60 days. We have the right to charge you an additional premium.

Exclusion 6.c. does not apply while the watercraft is stored on shore.

Exclusion 6. does not apply to **personal injury** to any **residence employee** arising out of and in the course of employment by **anyone we protect**.

We do not cover liability arising out of the negligent entrustment of an **aircraft**, motor vehicle or watercraft excluded in 6.

We also do not cover statutorily imposed vicarious parental liability for the actions of a child or minor using an **aircraft**, motor vehicle or watercraft excluded in 6.

7. **Personal injury or property damage** arising out of war (declared or undeclared), civil war, insurrection, rebellion or revolution.

Discharge of a nuclear weapon is considered a warlike act, even if accidental.

8. **Personal injury or property damage** which arises out of or results from a communicable disease or condition transmitted by **anyone we protect** to any other person through a parasite, virus, bacteria or any other organism.

9. Except as provided in paragraph 2.c. under "*What We Do Not Cover -- Personal Liability and Medical Payments To Others Coverage*," **personal injury or property damage** which arises out of the sexual molestation, corporal punishment or physical or mental abuse by **anyone we protect**.

10. **Personal injury or property damage** which arises out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

11. **Personal injury or property damage** which arises out of the discharge, disposal, release or escape of:

- a. vapors, fumes, acids, toxic chemicals, toxic liquids or toxic gasses;
- b. waste materials or other irritants, contaminants or pollutants.

We do not cover under *Personal Liability Coverage*:

1. Liability assumed under any oral contract or agreement, or by contract or agreement in connection with any **business of anyone we protect**.
2. Liability for your share of any loss assessment charged against all members of an association or corporation of property owners. This exclusion does not apply to *Additional Losses We Will Pay, (9) Loss Assessment, Section I* of this policy.
3. **Property damage** to property owned by **anyone we protect**.
4. **Property damage** to property rented to, occupied or used by, or in the care of **anyone we protect**. This exclusion does not apply to **property damage** caused by *Fire, Explosion, Sonic Boom* or *Smoke*, or by accidental discharge of water from a waterbed or aquarium. X
5. **Personal injury** to any person eligible to receive any benefits required to be provided or voluntarily provided by **anyone we protect** under any workers compensation or occupational disease law.
6. **Personal injury or property damage** for which **anyone we protect** is covered under any nuclear energy liability policy, or would be covered if its amounts of insurance had not been exhausted.
7. **Personal injury** arising out of **business pursuits of anyone we protect**, other than **business pursuits covered by the policy**;
8. **Personal injury** to employees of **anyone we protect** arising out of employment.
This exclusion does not apply to **bodily injury** to a **residence employee** arising out of and in the course of employment by **anyone we protect**;
9. Under parts 2. and 3. of the definition of **personal injury**, injury caused by willful violation of a law or ordinance;
10. Under parts 2. and 3. of the definition of **personal injury**, injury arising out of civic or public activities performed for pay;

11. Suits for libel, slander or defamation of character made against anyone we protect in the publication or statement:

- a. took place before the effective date of this insurance, or
- b. was knowingly untrue.

12. Personal injury to you and if residents of your household, your relatives, and persons under the age of 21 in your care or in the care of your resident relatives.

Under *Medical Payments To Others Coverage* we do not cover:

- 1. Personal injury to a residence employee if it occurs off an insured location and does not arise out of or in the course of employment by anyone we protect.
- 2. Personal injury to any person eligible to receive any benefits required to be provided or voluntarily provided under any workers compensation or occupational disease law.
- 3. Personal injury from any nuclear reaction, radiation or radioactive contamination, or any consequence of any of these.
- 4. Personal injury to anyone we protect or other person(s) who resides on the residence premises, except a residence employee.

WHAT WE ALSO PAY

Payment for the following is in addition to the amounts of insurance shown on the Declarations.

(1) CLAIM EXPENSES

We pay:

- 1. court costs, to defend or settle as we believe proper, any claim or suit against anyone we protect, for damages covered under this policy. Our payment of the limit of protection for a settlement, judgment, or deposit in court ends our duty to pay under this item.
- 2. expenses incurred, to investigate and defend or settle as we believe proper, any claim or suit against anyone we protect for damages covered under this policy. Our payment of the limit of protection for a settlement, judgment, or deposit in court ends our duty to pay under this item.
- 3. post-judgment interest, but only that portion of the post-judgment interest which accrues on that part of any judgment that does not exceed the limit of protection on a suit we defend. Our payment, offer in writing, or deposit in court of that part of the judgment which does not exceed the limit of protection ends our duty to pay any post-judgment interest which accrues after the date of our payment, written offer or deposit.
- 4. prejudgment interest or delay damages awarded on that part of any judgment that does not exceed the

limit of protection. If we offer in writing to pay the applicable limit of protection, we will not pay any prejudgment interest or delay damages for the period of time after the offer.

- 5. reasonable expenses anyone we protect may incur at our request to help us investigate or defend a claim or suit. This includes up to \$100 a day for actual loss of earnings (but not loss of other income) and vacation time or other benefit loss. X
- 6. premiums on the following types of bonds, but not for bond amounts greater than the limit of protection:
 - a. appeal bond in a suit we defend;
 - b. bail bond (with premium of \$500 or less) required due to an accident or related traffic violation involving a vehicle we insure; X
 - c. attachment bond to release property of anyone we protect due to an accident or related traffic violation involving a vehicle covered by this policy.

We have no duty to apply for or furnish such bonds.

- 7. reasonable lawyers' fees up to \$50 which anyone we protect incurs because of arrest, resulting from an accident involving a vehicle covered by this policy. X

(2) DAMAGE TO PROPERTY OF OTHERS

We pay, on a replacement cost basis, up to \$1000 per occurrence for property damage to property of others caused by anyone we protect. This coverage also applies to property of others in the possession of anyone we protect. X

We will not pay for property damage:

- 1. to the extent of any amount recoverable under Section I of this policy;
- 2. caused intentionally by anyone we protect who has attained the age of 13;
- 3. to property owned by anyone we protect;
- 4. to property owned by or rented to a tenant of anyone we protect or a resident of your household;
- 5. arising out of:
 - a. an act or omission in connection with a premises (other than an insured location) owned, rented or controlled by anyone we protect;
 - b. business pursuits; or
 - c. ownership, maintenance or use of a motor vehicle, aircraft or watercraft. We will pay for property damage to a land motor vehicle designed for recreational use off public roads while in the possession of or caused by anyone we protect if:
 - 1) not subject to motor vehicle registration, and
 - 2) not owned by anyone we protect.

(3) FIRST AID EXPENSES

X We pay reasonable expenses for first aid to other persons and animals at the time of an accident involving anyone we protect.

(4) LOSS ASSESSMENT -- PERSONAL LIABILITY COVERAGE

See *Loss Assessment*, paragraph (9), *Section I, Additional Losses We Will Pay*.

RIGHTS AND DUTIES -- CONDITIONS

(1) BANKRUPTCY OF ANYONE WE PROTECT

Bankruptcy or insolvency of anyone we protect or anyone we protect's estate will not relieve us of our obligations.

(2) DUTIES OF AN INJURED PERSON -- MEDICAL PAYMENTS TO OTHERS COVERAGE

The injured person or someone acting on behalf of that person will:

1. give us written proof of claim, as soon as possible, under oath if required;
2. sign papers at our request to allow us to obtain medical reports and copies of records.

The injured person will submit to mental and physical examination by doctors selected by us as often as reasonably required. We may pay the injured person or the provider of the services.

(3) LIMITS OF PROTECTION

This insurance applies separately to anyone we protect. Regardless of the number of people we protect, claims made or persons injured, our total liability under *Personal Liability Coverage* for damages resulting from one occurrence will not exceed the amount shown on the Declarations. All personal injury and property damage resulting from one accident or from continuous or repeated exposure to the same general conditions is considered the result of one occurrence.

Our total liability under *Medical Payments To Others Coverage* for all medical expense payable for personal injury to any one person will not exceed the "Each Person" amount shown on the Declarations.

(4) OTHER INSURANCE -- PERSONAL LIABILITY COVERAGE

This insurance is excess over any other valid and collectible insurance. However, if the other insurance is specifically written as excess insurance over this policy, the limits of this policy apply first.

If at the time of loss there is other insurance in the name of an association or corporation of property owners covering the same property covered by this policy, the insurance afforded by this policy shall be excess over the amount recoverable under such other insurance.

(5) SUIT AGAINST US

The terms of this policy must be complied with before suit may be brought against us.

The legal liability of anyone we protect must be determined before suit under *Personal Liability Coverage* may be brought against us. This determination may be by a court of law or by written agreement of all parties, including us.

No one has the right to make us a party to a suit to determine the liability of anyone we protect.

(6) YOUR DUTIES AFTER A LOSS

When there is an accident or occurrence anyone we protect will:

1. notify us or our Agent, in writing, as soon as possible, stating:
 - a. your name and policy number;
 - b. the time, place, and circumstances of the accident or occurrence;
 - c. names and addresses of injured persons and witnesses;
2. send us promptly any papers that relate to the accident or occurrence;
3. at our request;
 - a. assist in making settlement;
 - b. help us enforce any right of recovery against any party liable to anyone we protect;
 - c. assist in the conduct of suits;
 - d. attend hearings and trials;
 - e. secure and give evidence and obtain the attendance of witnesses.
4. under the coverage *Damage To Property Of Others*, send us, within 60 days of the loss, sworn proof of loss. Anyone we protect shall also exhibit the damaged property if within their control.

Anyone we protect will not, except at one's own cost, make payments, assume obligations or incur expenses, other than for first aid to other persons and animals at the time of the personal injury.

RIGHTS AND DUTIES -- GENERAL POLICY CONDITIONS -- SECTION III

We, you and anyone else protected by this policy must do certain things in order for the terms of this policy to apply.

(1) ACCOUNTING

(Erie Insurance Exchange Only)

X Erie Indemnity Company may keep up to 25% of the premium written or assumed by *Erie Insurance Exchange* as compensation for:

- becoming and acting as Attorney-in-Fact;
- managing the business and affairs of *Erie Insurance Exchange*; and
- paying general administrative expenses, including sales commissions, salaries and other employment costs, the cost of supplies and other administrative costs.

The rest of the premium will be placed on the books of the *Erie Insurance Exchange*. We will deposit or invest this amount as permitted by law. This amount will be used to pay losses, adjustment expenses, legal expenses, court costs, taxes, assessments, licenses, fees, and other governmental fines and charges, establishment of reserves and surplus, and reinsurance, and may be used for dividends and other purposes Erie Indemnity Company decides are to the advantage of the Subscribers.

(2) ASSIGNMENT

Interest in this policy may be transferred only with our written consent.

(3) CANCELLATION

Your Right to Cancel

You may cancel this policy by mailing or delivering to our Agent or us written notice stating at what future date you want the cancellation to take effect. We may waive these requirements by confirming the date of cancellation to you in writing.

Our Right to Cancel or Refuse to Continue

We may cancel or refuse to continue this policy or any coverage by mailing you written notice stating the effective date of our action. Our action will comply with the laws of the state where your residence premises is located. Our cancellation or refusal to continue this policy will not take effect until at least 30 days (Maryland - 45 days), except for non-payment of premium after we send it.

We reserve the right to cancel for your non-compliance with our premium payment plans. We do not waive our right to cancel, even if we have accepted prior late payments.

Method of Giving Notice

Mailing notice to the address shown on the **Declarations** will be sufficient proof of notice. The policy period will end on the date and time stated in the notice.

Return of Premium

If your policy is cancelled by you or us, we will return the pro rata unused share of your premium. Cancellation will be effective even if we have not given or offered the returned premium.

(4) CONCEALMENT, FRAUD OR MISREPRESENTATION

This entire policy is void as to you and anyone we protect if, whether before or after a loss:

- you or anyone we protect have intentionally concealed or misrepresented any material fact or circumstance concerning this insurance; or
- there has been fraud or false swearing by you or anyone we protect as to any matter that relates to this insurance or the subject thereof.

In the event of a. or b. above, we will not pay for any loss.

(5) COVERAGE AFTER DEATH

If you die, the policy will cover:

- anyone we protect who is a member of your household at the time of your death, but only while a resident of the residence premises;
- anyone having lawful possession of insured property until a representative is appointed, but only until the end of the policy period during which your death occurs;
- your legal representative, but only while performing duties as your representative and only until the end of the policy period during which your death occurs.

(6) HOW YOUR POLICY MAY BE CHANGED

This policy conforms to the laws of the state in which your residence premises is located. If the laws of the state change, this policy will comply with those changes.

Your policy may change by asking us. Your request must contain enough information to identify you. Asking our Agent is the same as asking us. If we agree with your request, we will then issue an Amended **Declarations**.

We will give you the benefit of any change in coverage made by us, if it does not require additional premium. This change will be effective as of the date we implement the change for you in your state.

If the information we use to determine the premium for your coverage(s) changes during the policy period, we

may adjust your premium. Premium adjustments will be made using rules and rates in effect for our use.

(7) OUR RIGHT TO RECOVER FROM OTHERS

After we make a payment under this policy, we will have the right to recover from anyone else held responsible for the loss. This right will not apply under *Section I* if you have waived it in writing prior to the loss.

Anyone to whom we have paid will sign papers and do whatever is required to transfer this right to us, and do nothing to harm this right.

Anyone receiving payment from us and someone else for the same loss will reimburse us up to our payment.

This condition does not apply under *Section II* to *Medical Payments To Others Coverage* or *Damage To Property Of Others*.

(8) POLICY ACCEPTANCE AND COOPERATION

By accepting this policy, you agree the policy contains all agreements relating to this insurance.

You also agree to cooperate with us in such things as:

1. completing and returning questionnaires and audit forms about insurance;
2. permitting and helping with inspections and audits; and
3. complying with specific recommendations to improve your risk.

(9) POLICY PERIOD

This policy applies only to loss which occurs during the policy period. The policy period is shown on the *Declarations* or *Amended Declarations*.

(10) PRIORITY

At our option, this insurance will first protect you, your spouse residing in your household and then others we protect.

(11) TIME OF INCEPTION

If this policy replaces coverage in other policies which end on the inception date of this policy, but at a different time, then this policy will take effect when the other coverage ends.

X

This policy has been signed on our behalf at Erie, Pennsylvania by our President and Secretary. If required by law, it has been countersigned on the *Declarations* by our duly authorized Agent.


Secretary


President



ERIE INSURANCE GROUP

Home Office • 100 Erie Insurance Place • Erie, PA 16530 • (814) 870-2000

2003 Extracover (Ed. 1/97) UF-8186

RELEASE OF ALL CLAIMS CLAIM KEY 5437PR838672060694

FOR AND IN CONSIDERATION OF the payment to me/us of the sum of (\$ 25,000.00)

Twenty-Five Thousand Dollars and no/100's Dollars, and other good and valuable consideration, I/we, being of lawful age, have released and discharged, and by these presents do for myself/ourselves, my/our heirs, executors, administrators and assigns, release, acquit and forever discharge Victor DeSantis, DeSantis Construction, and Nationwide Mutual Fire Company

and any and all other persons, firms and corporations, whether herein named or referred to or not, of and from any and all past, present and future actions, causes of action, claims, demands, damages, costs, loss of services, expenses, compensation, third party actions, suits at law or in equity, including claims or suits for contribution and/or indemnity, of whatever nature, and all consequential damage on account of, or in any way growing out of any and all known and unknown personal injuries, death and/or property damage resulting or to result from an accident that occurred on

or about the 6th day of June 1994, at or near Turnpike Ave, Clearfield

I/we hereby declare and represent that the injuries sustained may be permanent and progressive and that recovery therefrom is uncertain and indefinite, and in making this release and agreement it is understood and agreed that I/we rely wholly upon my/our own judgment, belief and knowledge of the nature, extent and duration of said injuries, and that I/we have not been influenced to any extent whatever in making this release by any representations or statements regarding said injuries, or regarding any other matters, made by the persons, firms or corporations who are hereby released, or by any person or persons representing him or them, or by any physician or surgeon by him or them employed.

I/we understand that this settlement is the compromise of a doubtful and disputed claim, and that the payment is not to be construed as an admission of liability on the part of the persons, firms and corporations hereby released by whom liability is expressly denied.

It is agreed that distribution of the above sum shall be made as follows: FULL AND FINAL SETTLEMENT

OF PROPERTY DAMAGE CLAIM

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are contractual and not a mere recital.

I/we further state that I/we have carefully read the foregoing release and know the contents thereof, and I/we sign the same as my/our own free act.

WITNESS _____ hand and seal this _____ day of _____, 19____.

IN THE PRESENCE OF

Name _____)
Address _____)

Name _____)
Address _____)

State of Pennsylvania)
County of Erie) ss.

CAUTION! READ BEFORE SIGNING
Laura Hanson (Pub. Sec.) (SEAL)

ERIE 7

MAR 11 1996

On this 11th day of March, 1996, before me personally appeared CLAIMS

_____ to me known to be the person.... described.

_____ herein, and who executed the foregoing instrument and _____ acknowledged that _____

voluntarily executed the same.
Notarial Seal
Lynn Pitzer, Notary Public
Erie, Erie County
My Commission Expires Nov. 22, 1999
Member, Pennsylvania Association of Notaries

My term expires _____, 19____.

Lynn Pitzer
NOTARY PUBLIC

D.H.

FOR CLAIM: 54 37 PR 838672 06-06-94 51

Policy Holder: VICTOR DESANTIS



NATIONWIDE INSURANCE COMPANIES
WESTERN PENNSYLVANIA REGION • BUTLER PENNSYLVANIA

CHECK # 54736517

74-1292
724

DATE OF ISSUE: 03-14-96

PAY
EXACTLY TWENTY FIVE THOUSAND AND 00/100 DOLLARS

\$*25,000.00*

Pay to the order of
ERIE INSURANCE GROUP
SUBROGEE OF
LEROY LITTLE
100 ERIE INS PLACE
ERIE PA 16530

Void if Not Cashed Within 90 Days
This is full payment unless otherwise indicated on stub.

NBD - DEARBORN
DEARBORN, MICHIGAN 48126

By *Mark Folan*

⑈54736517⑈ ⑆072412927⑆

00105436⑈

010110064845MT
FX
1/1/01

sent to HO

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST STREET
MARINO BUILDING
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830
November 26, 1997

C 10110 64845

TELEPHONE
(814) 765-4000

FAX
(814) 765-8142

Bucek and Associates
Attention: Joseph Bucek
109 East Pine Street
Philipsburg PA 16866

Re: DeSantis vs Little/No. 1595 of 1994 CD

Dear Mr. Bucek:

Please be advised that I represent Mr. and Mrs. Leroy Little in reference to the above action which is pending in the Court of Common Pleas of Clearfield County. I am writing you this letter to inquire as to the Release of All Claims executed by an employee of Erie Insurance. I have enclosed a copy of that Release for your review. Opposing counsel in the above matter, has presented me with the Release claiming that it is a general release and therefore releases any and all claims (even those unrelated to the June 6, 1994 incident) which my clients may have against Mr. DeSantis. If Erie agrees with the opposing counsel's position that it is a general release, I am very interested in determining upon what authority Erie based their action to grant a general release in this matter. I would appreciate that you give this matter your immediate attention. I need to reply to the opposing counsel as soon as possible.

Sincerely,


Chris A. Pentz

CAP/jms
CC: Mr. & Mrs. Leroy Little
John Foradora, Esquire

sent to HB
2-3-98

PONTZER & FORADORA

ATTORNEYS AT LAW

9 SOUTH MILL STREET
RIDGWAY, PENNSYLVANIA 15853

814-773-3108
FAX 814-773-3109

NORBERT J. PONTZER
DAVID S. PONTZER
JOHN H. FORADORA
M. MARGARET FORADORA

N. T. ARNOLD (1857-1906)
WILLIAM W. BARBOUR (1863-1943)
ROBERT F. PONTZER (1904-1979)

November 5, 1998

Chris A. Pentz, Esq.
211 1/2 East Locust Street
Marino Building
P.O. Box 552
Clearfield, PA 16830-0552

**Re: DeSantis v. Little
No. 1595 of 1994 C.D.**

Dear Chris:

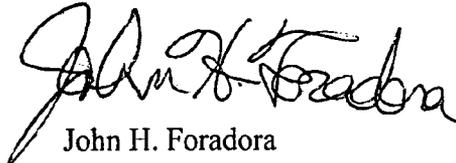
November 26, 1998, it will be a year since I last heard from you regarding this case, and the status of my Preliminary Objections.

I still believe that my position was correct with regard to the release that was signed on your client's behalf by their insurance adjuster; accordingly, I am asking you to meet with your clients, and if they are not prepared to accept that finding, I will ask Judge Reilly to reschedule the matter so he may decide the Preliminary Objections, and we can move on to hearing.

Thank you.

Sincerely,

PONTZER & FORADORA



John H. Foradora

JHF:srh

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
PLAINTIFF

VS.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
DEFENDANTS

: NO. 1595 OF 1994 C.D.
:
: TYPE OF PLEADING:
: BRIEF
:
:
:
: FILED ON BEHALF OF:
: PLAINTIFF
:
: COUNSEL OF RECORD:
: JOHN H. FORADORA, ESQ.
: PONTZER & FORADORA
: 9 SOUTH MILL STREET
: RIDGWAY, PA 15853
: (814) 773-3108
: I.D. NO. 63413

BRIEF

FACTS

84.75
54. -
232. -
370.75

Vic DeSantis operates a construction business known as Vic DeSantis Wood Working and Construction. Vic DeSantis (hereinafter referred to as Plaintiff) entered into a contract with Leroy J. Little and Carol Little, his wife, (hereinafter referred to as Defendants) residing in Clearfield, Clearfield County, Pennsylvania.

By Agreement, the Plaintiff was to do certain work for the Defendants, for a total contract price of \$33,723.00.

When the job was two-thirds complete and the Defendants had paid \$22,760.00, this Agreement was reached between the parties and the Defendants terminated Plaintiff's employment.

The time that his employment was terminated, Plaintiff continued to be ready, willing and able to complete the work on the said project. At the time he was terminated, the Plaintiff was

owed an additional \$11,000.00 on the project, but had only completed certain additional work which totaled \$1,977.79.

The Plaintiff has requested the Defendants to pay that amount, and to date, no amount has been paid.

The Defendants also wish to assert a property damage claim against Plaintiff for damages which they felt were done to their house by leaving it in an unfinished condition.

On or about March 14, 1996, the Defendants signed a General Release, releasing Plaintiff from any claim for property damage in this case. See attached letter (release will be forwarded as soon as it is received from Nationwide).

After that Release was signed, notice of intent to take default judgment was filed by Plaintiff against the Defendants, to which an Answer and Counterclaim was made, claiming damages which were included in the General Release. After this Answer and Counterclaim was filed, the Preliminary Objections which are before the Court were filed stating that the Defendants could not claim any damages against the Plaintiff, due to the fact that they had signed a General Release.

ISSUE I

WHETHER DEFENDANTS, WHO HAVE SIGNED A GENERAL RELEASE, CAN COUNTERCLAIM AGAINST THE PLAINTIFF TO WHOM THE GENERAL RELEASE WAS GIVEN, AFTER THAT GENERAL RELEASE HAS BEEN SIGNED, AND CONSIDERATION EXCHANGED FOR THAT RELEASE.

Pennsylvania Supreme Court and the Pennsylvania Superior Court have held that a General Release will release the original tortfeasor and all other persons and claims arising from the original occurrence. See Buttermore v. Aliquippa Hospital, 522 Pa. 325, 561 A.2d 733 (1988), Holms v. Lankenau Hospital, 426 Pa. Super 452, 627 A.2d, 763 (1993), Potterfield v. The Trustees of the Hospital of the University of Pennsylvania, 657 A.2d, 1293 (Pa. Super 1995), Brown v. Herman, 665 A.2d, 504 (Pa. Super 1995).

The case before the Court is a much more blatant action in the face of the release, in that, these Defendants specifically released this Plaintiff who is in front of the Court. In the four cases cited above on releases, a third party was excused from suit because of the nature of the general release.

If a third party can be excused because of the nature of a general release, then surely party who is released should not be able to bring a cause of action for damages which had already been included and contemplated at the time of the release. Because of this, the Defendants lack the capacity to sue the Plaintiff due to the fact they have already waived their rights to sue the Plaintiff by signing the General Release, and any inclusion of damages in their Counterclaim or Answer, is the inclusion of scandalous and impertinent matter, which should not be before the Court under the Plaintiff's claim for reimbursement.

With regard to Nos. 3 and 4 indicating that the Court does not have subject matter, jurisdiction, Plaintiff would withdraw those claims as the test for subject matter, jurisdiction, is whether the Court has power to enter into the inquiry, and whether or not it may ultimately decide that it is unable to grant the relief sought. See Studio Theaters, Inc. v. City of Washington, 418 Pa. 73, 209 A.2d, 802 (1965). In this case, the Court can certainly decide the ultimate relief; however, due to the fact that the Defendants signed a General Release to the Plaintiff, the Court should dismiss their Counterclaim for failure to have capacity to sue.

RESPECTFULLY SUBMITTED:

PONTZER & FORADORA

BY:


JOHN H. FORADORA, ESQUIRE
ATTORNEY FOR PLAINTIFF

437 NORTH MAIN STREET
BUTLER, PA 16001-4392



March 14, 1996

VICTOR DESANTIS
• DBA DESANTIS CONSTRUCTION
1600 MAIN ST
BROCKWAY PA 15824

Claim number: 54 37 PR 838-672 6-6-94 51 ZL
Date of loss: 6-6-94
Claimant: Leroy and Carol Little

Dear Mr. DeSantis:

Please be advised that we have settled the above-referenced General Liability Property Damage claim against your policy. Although the subrogation claim presented by Erie Insurance on behalf of the Littles exceeded your policy limits, we were able to negotiate a settlement within your limits in exchange for a General Release. Your interest in this matter has been protected, and we are closing our claim.

Sincerely,

Beth O'Sullivan
Senior Claims Representative ZL
(412) 282-5158

cc: J. D. Petruzzi, #13167

APPLICABLE TO PENNSYLVANIA ONLY: For your protection, Pennsylvania requires the following to appear on this form: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

thudr-tl-11-dsr

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : NO. 1595 OF 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
PLAINTIFF :
VS. : TYPE OF PLEADING:
: CERTIFICATE OF SERVICE
:
:
:
FILED ON BEHALF OF:
PLAINTIFF
:
:
COUNSEL OF RECORD:
JOHN H. FORADORA, ESQ.
LEROY J. LITTLE and CAROL LITTLE, : PONTZER & FORADORA
his wife, : 9 SOUTH MILL STREET
DEFENDANTS : RIDGWAY, PA 15853
: (814)773-3108
: I.D. NO. 63413

CERTIFICATION OF SERVICE

I hereby certify that I am this day serving the foregoing BRIEF upon the persons and in the manner indicated below, which service satisfies the requirements of the Pennsylvania Rules of Civil Procedure:

Service by First Class Mail, Postage Prepaid,
Addressed As Follows:

CHRIS A. PENTZ, ESQ.
211 ½ EAST MARKET STREET
P.O. BOX 552
CLEARFIELD, PA 16830-0552

PONTZER & FORADORA

Dated: August 20, 1997

By: 
JOHN H. FORADORA, ESQ.
ATTORNEY FOR DEFENDANT

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST STREET
MARINO BUILDING
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

TELEPHONE
(814) 765-4000

FAX
(814) 765-8142

March 5, 1999

Judge John K. Reilly, Jr.
% Court Administrator's Office
Clearfield County Courthouse
Clearfield PA 16830

Re: DeSantis vs Little/No. 94-1595-CD

Dear Judge Reilly:

I am providing you with this Letter Brief as directed by the Court Administrator's office. For purposes of the Preliminary Objections, I am in substantial agreement with the facts as outlined in Attorney Foradora's Brief. The issue of whether the Release in question is a General Release I will leave to the Court's independent review.

I would call the Court's attention to the fact that the Release was executed by Debra Thoreson, an employee of Erie Insurance Group. It is the Defendants' position that Ms. Thoreson lacked any authority to execute a General Release on their behalf.

Sincerely,

Chris A. Pentz

CAP/jms
cc: Mr. & Mrs. Leroy Little
Attorney John Fordora

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : No. 1595 of 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
Plaintiff :
Vs. : STIPULATION
LEROY J. LITTLE and CAROL LITTLE, :
his wife, :
Defendant :

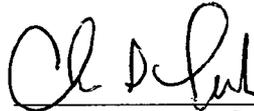
STIPULATION

The parties hereby Stipulate and agree to the following facts:

1. Joint Exhibit "A" and Joint Exhibit "B" attached to this Stipulation shall be entered as a matters of record in this case.
2. Deborah Toreson is an employee of Erie Insurance Group, and she is the person who executed the Release attached as Joint Exhibit "A".



John H. Foradora, Esquire
Attorney for Plaintiff



Chris A. Pentz, Esquire
Attorney for Defendant

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

APR 22 1999

Attest.


Notary Public

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : No. 1595 of 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
Plaintiff :
Vs. : ORDER OF COURT
LEROY J. LITTLE and CAROL LITTLE, :
his wife, :
Defendant :

ORDER

AND NOW, this 22nd day of April, 1999, upon consideration of the evidence submitted by Stipulation and arguments of Counsel, at Argument held April 6, 1999, it is hereby **ORDERED AND DECREED** that Plaintiff's Preliminary Objections to the Defendant's Counter-Claim are **GRANTED** and the Defendant's Counter-Claim is hereby **DISMISSED**.

By the Court:

/s/JOHN K. REILLY, JR.

John K. Reilly, Jr., President Judge

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

APR 22 1999
Attest: [Signature]
Deputy Prothonotary

FOR AND IN CONSIDERATION OF the payment to me/us of the sum of (\$ 25,000.00)

Twenty-Five Thousand Dollars and no/100's Dollars, and other good and valuable consideration, I/we, being of lawful age, have released and discharged, and by these presents do for myself/ourselves, my/our heirs, executors, administrators and assigns, release, acquit and forever

discharge Victor DeSantis, DeSantis Construction, and Nationwide Mutual Fire Company

and any and all other persons, firms and corporations, whether herein named or referred to or not, of and from any and all past, present and future actions, causes of action, claims, demands, damages, costs, loss of services, expenses, compensation, third party actions, suits at law or in equity, including claims or suits for contribution and/or indemnity, of whatever nature, and all consequential damage on account of, or in any way growing out of any and all known and unknown personal injuries, death and/or property damage resulting or to result from an accident that occurred on

or about the 6th day of June 1994, at or near Turnpike Ave, Clearfield

I/we hereby declare and represent that the injuries sustained may be permanent and progressive and that recovery therefrom is uncertain and indefinite, and in making this release and agreement it is understood and agreed that I/we rely wholly upon my/our own judgment, belief and knowledge of the nature, extent and duration of said injuries, and that I/we have not been influenced to any extent whatever in making this release by any representations or statements regarding said injuries, or regarding any other matters, made by the persons, firms or corporations who are hereby released, or by any person or persons representing him or them, or by any physician or surgeon by him or them employed.

I/we understand that this settlement is the compromise of a doubtful and disputed claim, and that the payment is not to be construed as an admission of liability on the part of the persons, firms and corporations hereby released by whom liability is expressly denied.

It is agreed that distribution of the above sum shall be made as follows: FULL AND FINAL SETTLEMENT

OF PROPERTY DAMAGE CLAIM

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are contractual and not a mere recital.

I/we further state that I/we have carefully read the foregoing release and know the contents thereof, and I/we sign the same as my/our own free act.

WITNESS _____ hand and seal this _____ day of _____, 19__.

IN THE PRESENCE OF

Name _____)

Address _____)

Name _____)

Address _____)

State of Pennsylvania)
County of Erie) ss.

CAUTION! READ BEFORE SIGNING

Laura Hanson (SEAL)

(SEAL)

(SEAL)

ERIE 7

MAR 11 1996

On this 11th day of March, 1996, before me personally appeared CLAIMS

_____ to me known to be the person.... described

herein, and who executed the foregoing instrument and _____ acknowledged that _____

voluntarily executed the same.

Notarial Seal
Lynn Pitzer, Notary Public
Erie, Erie County
My Commission Expires Nov. 22, 1999

My term expires _____, 19__

NOTARY PUBLIC

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1	ERIE Insurance Homeowner's Policy	
2	Release of Victor DeSantis (03/11/96)	
3	Letter of Chris Pentz to Joseph Bucek (11/26/97)	
4	Letter of ERIE Insurance to Chris Pentz (12/18/97)	
5	Letter of John Foradora to Chris Pentz (11/05/98)	
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7	Letter Brief of Chris Pentz (03/05/99)	
8	Stipulation DeSantis/Little (04/22/99)	

ERIE INSURANCE GROUP is proud to present this Extracover Home Inspector Policy. This important contract between YOU and The ERIE consists of this policy with coverage agreements, limitations, exclusions and conditions, a Declarations, plus any endorsement. It is written in plain, simple terms so it can be easily understood. We urge YOU to read this policy.

This policy contains many EXTRA PROTECTION FEATURES developed by The ERIE. Wherever an "X" appears in the margin of this policy, YOU receive EXTRA PROTECTION, either as additional coverage or as a coverage not found in most homeowners policies.

The protection given by this policy is in keeping with the single purpose of our Founders: "To provide YOU with as near PERFECT PROTECTION, as near PERFECT SERVICE, as is humanly possible, and to do so at the LOWEST POSSIBLE COST."

AGREEMENT

ERIE INSURANCE EXCHANGE ONLY

In return for your timely premium payment, your compliance with all of the provisions of this policy, and your signing of a **Subscriber's Agreement** with Erie Indemnity Company and other Subscribers, we agree to provide the coverages you have purchased. Your coverages and amounts of insurance are shown on the **Declarations**, which are part of this policy.

Your signing the **Subscriber's Agreement**, which includes a limited power-of-attorney, permits Erie Indemnity Company, as Attorney-in-Fact, to make reciprocal insurance contracts between you and other Subscribers and otherwise manage the business of the Erie Insurance Exchange. This power-of-attorney applies only to your insurance business at the Exchange and is limited to the purposes described in the **Subscriber's Agreement**.

Your responsibility as a Subscriber is determined by this policy and the **Subscriber's Agreement**. You are liable for just the policy premiums charged and are not subject to any other assessment under the policy.

This agreement is made in reliance on the information you have given us, and is subject to all the terms of this policy.

This policy, all endorsements to it, and the **Subscriber's Agreement** constitute the entire agreement between you and us.

This agreement is made in reliance on the information you have given us, and is subject to all the terms of this policy.

This policy and all endorsements to it constitute the entire agreement between you and us.

APPLICABLE TO ERIE INSURANCE EXCHANGE AND ERIE INSURANCE PROPERTY AND CASUALTY COMPANY

We promise, upon timely payment of the premium and compliance with the provisions of this policy and its endorsements:

1. To cover you from 12:01 A.M., Standard Time, at the location of the insured property, on the date shown on the **Declarations** as the first day of the policy period. Coverage will continue in force until terminated.
2. To protect you up to the amounts specified in the policy.

You may not transfer this policy without our consent.

This policy is made and accepted subject to these and the following provisions, including those which may be added by endorsement.

ERIE INSURANCE PROPERTY AND CASUALTY COMPANY ONLY

In return for your timely premium payment and your compliance with all of the provisions of this policy, we agree to provide the coverages you have purchased. Your coverages and amounts of insurance are shown on the **Declarations**, which are part of this policy.

DEFINITIONS

Throughout your policy and its endorsements the following words have a special meaning when they appear in bold type:

- "aircraft" means any machine or device capable of atmospheric flight except model airplanes.
- "anyone we protect" means you and the following residents of your household:

1. relatives and wards;
2. other persons in the care of anyone we protect. X

Under *Home and Family Liability Protection*, anyone we protect also means:

3. any person or organization legally responsible for animals or watercraft which are owned by you, or any person included in 1. or 2.; and covered

by this policy. Any person or organization using or having custody of these animals or watercraft in the course of any business, or without permission of the owner is not anyone we protect;

4. any person with respect to any vehicle covered by this policy. Any person using or having custody of this vehicle in the course of any business use, or without permission of the owner is not anyone we protect.

X • "bodily injury" means physical harm, sickness or disease, including mental anguish, care, loss of services, or resulting death, but does not include:

1. any communicable disease or condition transmitted by anyone we protect to any other person through a parasite, virus, bacteria or any other organism.

2. the exposure to or transmission of any disease, parasite, virus, bacteria or other organism by anyone we protect to any other person.

• "business" means any activity engaged in as a trade, profession or occupation, including farming.

• "Declarations", "Amended Declarations", "Continuation Notice", "Revised Declarations", and "Renewal Certificate" means the forms which show your coverages, amounts of insurance, premium charges and other information. These forms are part of your policy.

• "insured location" means:

1. the residence premises;

2. the part of any other premises, other structures, and grounds acquired by you during the policy period which you intend to use as a residence premises;

3. any premises used by anyone we protect in connection with premises included in 1. or 2.;

4. any part of a non-owned premises:

a. where anyone we protect is temporarily residing; or

b. occasionally rented to anyone we protect for non-business purposes;

5. vacant land, other than farmland, owned by or rented to anyone we protect;

6. land owned by or rented to anyone we protect on which a one or two family residence is being built for occupancy by anyone we protect;

7. cemetery plots or burial vaults of anyone we protect.

X
X • "medical expense" means reasonable charges for necessary medical, surgical, x-ray and dental services, including prosthetic devices, eyeglasses, contacts, hearing aids and pharmaceuticals; and also includes ambulance, hospital, licensed nursing and funeral services.

• "occurrence" means an accident, including continuous or repeated exposure to the same general harmful conditions.

• "personal injury" means injury arising out of:

1. bodily injury;

2. libel, slander, or defamation of character;

3. false arrest, wrongful detention or imprisonment, malicious prosecution, racial or religious discrimination, wrongful entry or eviction, invasion of privacy, or humiliation caused by any of these.

• "property damage" means damage to or loss of use of tangible property.

• "residence employee" means an employee of anyone we protect who performs duties in connection with the maintenance or use of the residence premises, including similar duties elsewhere, not in connection with the business of anyone we protect.

• "residence premises" means the dwelling where you reside, including the structures and grounds, or that part of any other building where you reside and which is shown as residence premises on the Declarations.

ADDITIONAL ERIE INSURANCE EXCHANGE DEFINITIONS

The following words have special meaning in policies issued by *Erie Insurance Exchange*:

• "Subscriber" means the person(s) who signed the Subscriber's Agreement.

• "Subscriber's Agreement" means the agreement, including a limited power-of-attorney, among the Subscribers and the Erie Indemnity Company, as Attorney-in-Fact.

• "We", "us", or "our" means the Subscribers at *Erie Insurance Exchange* as represented by their common Attorney-in-Fact, Erie Indemnity Company.

• "You", "your", or "Named Insured" means the Subscriber and others named on the Declarations under Named Insured. Except in the GENERAL POLICY CONDITIONS, these words include the spouse of the Subscriber if a resident of the same household.

ADDITIONAL ERIE INSURANCE PROPERTY AND CASUALTY COMPANY DEFINITIONS

The following words have special meaning in policies issued by *Erie Insurance Property and Casualty Company*:

• "We," "us", or "our" means *Erie Insurance Property and Casualty Company*.

• "You", "your", or "Named Insured" means the person(s) named on the Declarations under Named Insured. Except in the GENERAL POLICY CONDITIONS, these words include your spouse if a resident of the same household.

WHEN AND WHERE THIS POLICY APPLIES

This policy applies to losses that occur during the policy period. The policy period is shown on the Declarations or Amended Declarations.

Property Protection -- Section I. This policy applies to property losses as designated in the specific coverage and at the location(s) insured under this policy. In addition,

personal property is covered while located anywhere in the world.

Home and Family Liability Protection -- Section II. This policy applies to personal injury and property damage losses occurring anywhere in the world.

PROPERTY PROTECTION -- SECTION I

DWELLING COVERAGE

OUR PROMISE

We will pay for loss to:

1. Your dwelling at the residence premises shown on the Declarations. Dwelling includes attached structures, and building equipment and fixtures servicing the premises.
2. Construction material at the residence premises for use in connection with your dwelling.

This coverage does not apply to land.

OTHER STRUCTURES COVERAGE

OUR PROMISE

We will pay for loss to:

1. Other structures at the residence premises separated from the dwelling, including garages, fences, shelters, tool sheds or carports.
Structures connected to the dwelling by only a fence, utility line, or similar connection are considered to be other structures.
2. Construction material at the residence premises for use in connection with your other structures.

We do not pay for loss to structures used in whole or in part for business purposes (except rental or holding for rental of structures used for private garage purposes).

This coverage does not apply to land.

PERSONAL PROPERTY COVERAGE

OUR PROMISE

We will pay for loss to:

1. Personal property owned or used by anyone we protect anywhere in the world.
2. At your option, personal property owned by others while the property is on your residence premises.
3. At your option, personal property of:

a. guests and residence employees while the property is in a residence occupied by anyone we protect;

b. residence employees away from the residence premises while actually engaged in the service of anyone we protect. X

4. At your option, building additions, alterations, fixtures, improvements or installations made, or acquired at your expense, by you to residences occupied by, but not owned by you, for an amount not exceeding 10% of the amount of insurance under this coverage. Payment will not increase the applicable amount of insurance under this policy. X

5. Cemetery property, including monuments, headstones, gravemarkers, and urns.

6. Animals, birds and fish, but only while on the residence premises, for the following perils to the extent covered under *Perils We Insure Against: Fire or Lightning, Windstorm or Hail, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Smoke and Vandalism or Malicious Mischief.* X

7. Electronic apparatus and equipment, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power. Electronic apparatus includes cellular phones, fax machines, radios, tape and disc players, and similar equipment or devices for the recording, reproduction, receiving or transmitting of sound or pictures. Electronic apparatus also includes accessories used in conjunction with such apparatus, including antennas, tapes, wires, records, discs or other media. X

We do not pay for loss to electronic apparatus and equipment which is solely powered from the electrical system of motor vehicles or any other motorized land conveyances. Accessories to these devices, including antennas, tapes, wires, records, discs or other media are not covered while in or upon the motor vehicle or conveyance. However, when there is a loss of tapes or compact discs by theft, we will pay up to \$150 for the tapes or compact discs.

We do not pay for loss to:

1. Land motor vehicles and parts. We do cover vehicles designed to assist the handicapped, and vehicles used to service the residence premises, not subject to motor vehicle registration. X

2. Aircraft and parts.

- | | |
|--|--|
| <p>3. Property rented or held for use by others away from the residence premises. \$500</p> <p>4. Property of roomers, boarders or tenants not related to anyone we protect.</p> <p>5. \$3000</p> <p>a. Books of account, drawings, or other paper records containing business data; or \$3000</p> <p>b. Electronic data processing tapes, wires, records, discs, or other software media containing business data. \$3000</p> <p>However, we do cover the cost of unexposed or blank records or media.</p> <p>6. Radar detectors.</p> <p>7. Property specifically insured by this or any other insurance.</p> <p>8. Except as provided under <i>Special Limits -- Personal Property</i>, property pertaining to a business conducted away from the residence premises unless at the time of loss such property is on the residence premises. However, we do not cover such property on the residence premises while it is stored, held as samples, or held for sale or delivery after sale.</p> | <p>business property away from the residence premises, regardless of whether the business is conducted on or away from the residence premises. X</p> <p>•Theft of guns X</p> <p>•Theft of jewelry, watches, furs, precious and semi-precious stones X</p> <p>•Theft of silverware, silver-plated ware, goldware, gold-plated ware and pewterware X</p> <p>•Personal property usually situated at any residence owned or occupied by anyone we protect other than a residence premises. Personal property in a newly-acquired principal residence is not subject to this limitation for the 30 days immediately after you begin to move property there. X</p> |
|--|--|

10% of Personal Property Coverage — (but not less than \$2000)

LOSS OF USE COVERAGE

OUR PROMISE

If an insured property loss makes your residence premises uninhabitable, we will pay all reasonable additional living expenses while you and members of your household reside elsewhere.

Payment shall be for the shortest time required to repair or replace the premises or, if you choose, for you to permanently relocate.

These payments will not exceed a 12 month period.

We will also pay for your loss of normal rents resulting from the loss, less charges and expenses which do not continue while the rented part of the residence premises is uninhabitable. We will pay this loss of normal rents only until the rented part is habitable.

If a loss from a peril covered under *Perils We Insure Against* occurs at a neighboring premises, we will pay additional living expenses and loss of normal rents for up to two weeks should civil authorities prohibit you from occupying your premises.

These periods of time are not limited by the expiration of this policy.

No deductible applies to this coverage.

We will not pay for loss or expense due to the cancellation of any lease or agreement.

This coverage also applies to a loss at a covered secondary location.

SPECIAL LIMITS - PERSONAL PROPERTY

Limitations apply to the following personal property. These limits do not increase the amount of insurance under *Personal Property Coverage*:

Total Amount of Insurance In Any One Loss	Description of Personal Property Subject to Limitations
\$250	•Animals, birds and fish
X \$250	•Money, bank notes, bullion, numismatic property, gold other than goldware or gold-plated ware, silver other than silverware or silver-plated ware, and platinum
\$1000	•Theft of trading cards, including sports cards.
X \$2000	•Accounts, bills, deeds, evidences of debt, letters of credit, notes other than bank notes, passports, securities, tickets, stamps and philatelic property
X \$2000	•Trailers and campers not otherwise insured, whether licensed or not
X \$2000	•Watercraft, including their trailers, whether licensed or not, furnishings, equipment and outboard motors
\$2000	•Manuscripts
\$2500	•Property pertaining to a business actually conducted on the residence premises, including property in storage, held as samples, or held for sale or delivery after sale.

PERILS WE INSURE AGAINST

DWELLING AND OTHER STRUCTURES COVERAGES

We pay for risks of direct physical loss to property insured under the *Dwelling and Other Structures Coverages* except as excluded or limited herein.

We do not pay for loss:

1. Involving collapse, other than as provided in *Additional Losses We Will Pay, (2) Collapse*;
2. Caused by freezing by temperature reduction of a plumbing, heating, air conditioning, gutters and drain spouts, or fire protective system, or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing, while the dwelling is vacant, unoccupied or being constructed.

There is coverage if you have used reasonable care to:

- a. maintain heat in the building; or
 - b. shut off the water supply and drain the system or appliances of water.
3. By freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a fence, pavement, patio, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock.
 4. Caused by constant or repeated seepage or leakage of water or steam over a period of weeks, months or years from within a plumbing, heating, air conditioning, or fire protective system, or a household appliance.

However, there is coverage if the loss is sudden and accidental.

5. Caused by:
 - a. termites, vermin, insects, rodents, birds, skunks, raccoons, spiders or reptiles;
 - b. mechanical breakdown, deterioration, wear and tear, marring, inherent vice, latent defect, rust, smog, wet or dry rot, mold, fungus or spores;
 - c. contamination;
 - d. smoke from agricultural smudging or industrial operations;
 - e. bulging, cracking, expansion, settling or shrinking in ceilings, foundations, floors, patios, pavements, roofs or walls.

If a. through e. cause water damage not otherwise excluded, from a plumbing, heating, air conditioning, gutters or drain spouts, or fire protective system, household appliance, waterbed or aquarium, we cover loss caused by the water. Coverage includes the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. This does not include loss to the defective system or appliance (other than a waterbed or aquarium) from which the water escaped.

6. Caused by weather conditions if any peril excluded by this policy contributes to the loss in any way.
7. Caused by acts or decisions, including the failure to act or decide, of any person, group, organization, or governmental body if any peril excluded by this policy contributes to the loss in any way.
8. Caused by, resulting from, contributed to or aggravated by faulty or inadequate
 - a. planning, zoning, development;
 - b. design, development of specifications, workmanship, construction;
 - c. materials used in construction; or
 - d. maintenance;of property whether on or off the residence premises by any person, group, organization, or governmental body if any peril excluded by this policy contributes to the loss in any way.
9. Caused by animals or birds kept by anyone we protect or kept by a residence employee of anyone we protect.
10. By theft of property from within a dwelling under construction unless that property has become a part of the building, or of materials and supplies for use in the construction until the dwelling is completed and occupied.

Under items 1. through 10. any ensuing loss not excluded is covered.

See *Section I - What We Do Not Cover - Exclusions* for additional losses excluded.

PERSONAL PROPERTY COVERAGE

We pay for direct physical loss to property insured under *Personal Property Coverage* caused by any of the following perils, unless the loss is excluded elsewhere under this policy:

1. Fire or Lightning.
2. Windstorm or Hail, but not including loss:
 - a. caused by frost, cold weather, ice, snow, sleet, sand or dust;
 - b. to property contained in a building, unless the building is first damaged by the direct force of wind or hail; or
 - c. to watercraft (except rowboats and canoes at an insured location) and their trailers, furnishings, equipment and motors unless inside a fully enclosed building.
3. Explosion.
4. Sonic Boom.
5. Riot or Civil Commotion.
6. Aircraft, including missiles and spacecraft.
7. Vehicles.
8. Smoke, if the loss is sudden and accidental.

This does not include loss caused by smoke from agricultural smudging or industrial operations.

9. **Vandalism or Malicious Mischief**

- X 10. **Theft**, including attempted theft and loss of property from a known location when it is likely that the property has been stolen. We also cover direct loss of covered personal property by theft while it is unattended in or on a motor vehicle, trailer, or watercraft.

This does not include:

- a. theft committed by anyone we protect;
- b. theft of property from within a dwelling under construction unless that property has become a part of the building, or of materials and supplies for use in the construction until the dwelling is completed and occupied;
- c. theft of property while at another dwelling or adjacent structures owned by, rented to, or occupied by anyone we protect unless anyone we protect is temporarily residing there. Property of a student we protect is covered while at a residence away from home.

Theft losses must be promptly reported to us and to the police.

X X X
11. **Falling Objects**, but not including:

- a. loss to property contained in a building, unless the falling object first damages the building exterior; or
- b. damage to the falling object.

12. **Weight of Ice, Snow or Sleet**.

This does not include loss to personal property outside the building.

13. **Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning system, or fire protective system, or an appliance for heating water.**

This does not cover loss caused by or resulting from freezing.

14. **Freezing by temperature reduction of a plumbing, heating, air conditioning, or fire protective system, or of a household appliance.**

This does not include loss on the residence premises while the dwelling is unoccupied unless you have used reasonable care to:

- a. maintain heat in the building, or
- b. shut off the water supply and drain the system or appliances of water.

- X 15. **Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning, or fire protective system, household appliance, waterbed or aquarium.**

This does not include loss:

- a. to a building caused by constant or repeated seepage or leakage over a period of weeks, months or years;
- b. to the defective system or appliance (other than a waterbed or aquarium);
- c. caused by or resulting from freezing;

- d. on the residence premises caused by accidental discharge or overflow which occurs off the residence premises;

- e. caused by overflow from gutters or drain spouts.

For this peril, a plumbing system does not include a sump, sump pump or related equipment.

16. **Damage due to a sudden and accidental surge of electrical current.**

17. **Volcanic Eruption.**

This does not include loss caused by earthquake, land shock waves or tremors.

Volcanic eruptions occurring within a 72 hour period will be considered one volcanic eruption.

WHAT WE DO NOT COVER -- EXCLUSIONS

(Also see specific Exclusions under Dwelling and Other Structures Coverages — Perils We Insure Against)

We do not pay for loss resulting directly or indirectly from any of the following, even if other events or happenings contributed concurrently, or in sequence, to the loss:

1. by earth movement, due to natural or manmade events, meaning earthquake including land shock waves, or tremors before, during, or after a *Volcanic Eruption*, mine subsidence, sinkhole, landslide, mudslide, mud flow, earth sinking, rising, or shifting. Direct loss by *Fire, Explosion, Sonic Boom, Theft* or *Breakage of Glass* resulting from earth movement, mine subsidence, sinkhole, landslide, mudslide, mud flow, earth sinking, rising or shifting is covered.
2. by water damage, meaning:
 - a. flood, surface water, waves, tides, tidal water or overflow of a body of water. We do not cover spray from any of these, whether or not driven by wind;
 - b. water or sewage which backs up through sewers or drains, or water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or
 - c. water below the surface of the ground. This includes water which exerts pressure on, or flows, seeps or leaks through any part of a building or other structure, sidewalk, driveway, foundation, or swimming pool.

We do pay for direct loss that follows, caused by *Fire, Explosion, Sonic Boom* or *Theft*.

3. by power interruption if the interruption takes place away from the residence premises. If a loss from a peril covered under *Perils We Insure Against* happens on the residence premises as a result of a power interruption, we will cover only loss caused by that peril.
4. by war, whether declared or undeclared, discharge of a nuclear weapon (even if accidental), hostile or warlike action in time of peace or war, insurrection, rebellion, revolution, civil war, usurped power,

including action taken by governmental authority in defending against such an occurrence.

5. by nuclear action or radiation or radioactive contamination, however caused. Nuclear action includes nuclear reaction, discharge, radiation or radioactive contamination, whether manmade or occurring naturally.

Loss caused by nuclear action is not considered loss by *Fire, Explosion, Sonic Boom* or *Smoke*.

If loss by *Fire* results, we will pay for that resulting loss.

6. by radon gas contamination.
7. by the enforcement of any ordinance or law regulating the construction, repair or demolition of a building or other structure, unless specifically provided under this policy. We do cover loss caused by actions of civil authorities to prevent the spread of a fire caused by a peril covered under *Perils We Insure Against*.
8. by neglect of anyone we protect to use all reasonable means to protect covered property at and after the time of loss or when property is threatened by a peril covered under *Perils We Insure Against*.
9. by intentional loss, meaning any loss arising from an act committed by or at the direction of anyone we protect with the intent to cause a loss.

ADDITIONAL LOSSES WE WILL PAY

(1) AUTOMATIC GARAGE DOOR OPENER

We will pay up to \$500 for loss to personal property, including the garage door, at the residence premises resulting from the use or malfunction of an automatic garage door opener.

(2) COLLAPSE

We will pay for direct physical loss to insured property involving collapse of a building, or any part of a building, caused only by one or more of the following:

1. *Fire or Lightning, Windstorm or Hail, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Vandalism or Malicious Mischief, Breakage of Glass, Falling Objects, or Weight of Ice, Snow or Sleet;*
2. hidden decay, or hidden insect or vermin damage;
3. weight of people, animals, contents or equipment;
4. weight of rain which collects on a roof;
5. use of defective materials or methods in construction, remodeling, or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

We will not be liable for loss under 2., 3., 4. or 5. above to the following property unless the loss is a direct result of the collapse of a building:

Cloth awnings, fences, pavements, patios, swimming pools, underground pipes, flues, drains, cesspools, septic tanks, foundations, retaining walls, bulkheads, piers, wharves or docks.

Collapse does not include settling, cracking, shrinkage, bulging or expansion.

Payment does not increase the amount of insurance applying to the loss.

(3) CREDIT CARD, CHARGE PLATE, CHECK FORGERY AND COUNTERFEIT MONEY PROTECTION

We will pay up to \$2500 for the legal obligation of anyone we protect to pay because of *Theft*, forgery or unauthorized use of any credit or fund transfer card, charge plate, check or negotiable instrument issued to or registered in the name of anyone we protect. We will also pay for loss each time anyone we protect unknowingly accepts counterfeit money.

No deductible applies to this coverage. We require evidence of loss.

We will not pay for:

1. loss arising from any business;
2. loss arising from anyone we protect.

When loss is discovered, anyone we protect must give us immediate notice. If the loss involves a credit or fund transfer card or charge plate, anyone we protect must also give immediate notice to the issuer of the card or plate. Failure to comply with the terms and conditions of the card or plate voids this protection.

If a loss occurring during the policy period is discovered within a year after the policy has been cancelled, we will pay for the loss. If a prior loss is discovered during the policy period and no other insurance applies, we will pay for the loss. We have the right to investigate and settle any claim or suit before making payment. Full payment of the amount of insurance ends our obligation under each claim or suit.

Repeated losses caused by or involving one person are to be considered one loss.

If a claim is made or suit is brought against anyone we protect for liability under the *Credit Card or Charge Plate Protection*, we will provide a defense. The defense will be at our expense, with a lawyer we choose.

We have the option under the *Check Forgery Protection* to defend at our expense anyone we protect or their bank against a suit for the enforcement of payment.

(4) DEBRIS REMOVAL AFTER LOSS

We will pay the expense for removal of:

1. debris of covered property following loss under *Perils We Insure Against*;
2. ash, dust or particles from *Volcanic Eruption* that has caused direct loss to a building or property within a building; or
3. fallen trees which cause damage to covered property, provided coverage is not afforded elsewhere by this policy.

If the amount of insurance applying to the loss is exhausted, we will pay up to an additional 5% of the

amount of insurance applying to the damaged property for removal of debris.

We will also pay up to \$500 per occurrence for the removal of fallen trees on the residence premises if loss is caused by *Windstorm, Hail or Weight of Ice, Snow or Sleet* even when covered property is not damaged.

(5) EMERGENCY REMOVAL OF PROPERTY

We will pay for property damaged in any way while removed from your residence premises because of danger from an insured peril. Coverage is limited to a 30-day period from date of removal. Payment will not increase the amount of insurance applying to the loss.

(6) FIRE DEPARTMENT SERVICE CHARGES

X We will pay all reasonable fire department service charges to save or protect insured property. Payment is in addition to the amount of insurance applying to the loss.

No deductible applies to this coverage.

(7) FIRE EXTINGUISHER RECHARGE

X We will pay expenses incurred to recharge portable fire extinguishers after they are used to fight a fire.

No deductible applies to this coverage.

(8) LOCK REPLACEMENT AFTER LOSS

At your request, we will pay up to \$250 to replace keys and locks to the exterior doors of the residence premises, as well as keys and locks to your other property (autos, boats, etc.), if the keys are stolen during a *Theft* loss. This coverage does not apply to keys and locks pertaining to business property.

No deductible applies to this coverage.

X We will pay for replacement of automatic garage door transmitters when a transmitter has been stolen. Coverage is also provided for the cost to reprogram the frequency on additional transmitters and/or the control unit box.

No deductible applies to the replacement of automatic garage door transmitters.

(9) LOSS ASSESSMENT

(Applicable to Section I and Section II - Personal Liability Coverage Only)

We will reimburse you for an assessment charged against you as owner or tenant of the residence premises by an association or corporation of property owners, minus any other valid and collectible insurance available to the association or corporation covering the same assessment. Under *Property Protection - Section I*, the assessment must result from a direct loss to property, owned by all the property owners collectively, caused by any of the *Perils We Insure Against*. Under *Section II - Personal Liability Coverage Only*, the assessment must result from an occurrence covered under this policy.

Unless otherwise shown on the Declarations, our amount of insurance for this protection is \$5000 per assessment. X

If you are assessed for a covered water loss, we will pay your share of the cost of tearing out and replacing any part of an insured location necessary to repair the system or appliance.

The policy deductible applies under *Property Protection - Section I* only.

We will not pay if the loss is caused by earthquake or land shock waves or tremors which occur before, during or after a *Volcanic Eruption*.

We also will not pay for any loss assessments charged by a governmental body.

(10) MECHANICAL SERVANT AND ROBOT PROTECTION

We will pay up to \$500 for loss to personal property at the residence premises caused by malfunction of a mechanical servant or robot.

(11) NON-OWNED RESIDENCES

We will pay up to \$1000 for loss by *Theft* and *Vandalism or Malicious Mischief* to residences occupied by, but not owned by anyone we protect.

(12) REFRIGERATED PRODUCTS

We will pay for loss to the contents of refrigerator or freezer units on the residence premises from either power or mechanical failure. X

Coverage will be void if the contents are on the residence premises for business purposes.

(13) TEMPERATURE CHANGE X

We will pay for loss to insured personal property resulting from change of temperature. There must first be damage done by a peril covered under *Perils We Insure Against* occurring at the residence premises. Payment will not increase the amount of insurance applying to the loss.

(14) TEMPORARY REPAIRS AFTER LOSS

We will pay for reasonable and necessary expenses for temporary repairs to protect covered property from further damage after loss by a peril covered under *Perils We Insure Against*. Payment will not increase the amount of insurance applying to the loss.

(15) TREES, SHRUBS, PLANTS AND LAWNS

We will pay up to an additional 5% of the amount of insurance under *Dwelling Coverage* for loss to trees, shrubs, plants and lawns at the residence premises.

Coverage applies only to loss caused by the following perils covered under *Perils We Insure Against*: *Fire or Lightning, Explosion, Sonic Boom, Riot or Civil Commotion, Aircraft, Vehicles, Smoke, Vandalism or Malicious Mischief* and *Theft*. X

We will not pay for:

1. more than \$500 on any one tree, shrub or plant;
2. damage to lawns by vehicles owned or operated by a resident of the residence premises;
3. trees, shrubs, plants or lawns grown for business purposes.

DEDUCTIBLE

We will pay for loss minus the deductible shown on the Declarations. Unless otherwise provided in an endorsement, in the event of total loss to the Dwelling from a covered peril, the deductible will not apply. X

The deductible does not apply to:

1. Loss of Use Coverage.
2. Credit Card, Charge Plate, Check Forgery and Counterfeit Money Protection.
3. Fire Department Service Charges.
4. Fire Extinguisher Recharge.
5. Lock Replacement After Loss.

RIGHTS AND DUTIES -- CONDITIONS

(1) ABANDONMENT OF PROPERTY

We need not accept abandoned property.

(2) APPRAISAL

If you and we fail to agree on the amount of loss, on the written demand of either, each party will choose a competent appraiser and notify the other of the appraiser's identity within 20 days after the demand is received. The appraisers will select a competent and impartial umpire. If the appraisers are unable to agree upon an umpire within 15 days after both appraisers have been identified, you or we can ask a judge of a court of record in the state where your residence premises is located to select an umpire.

The appraisers shall then set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of loss. If they cannot agree, they will submit their differences to the umpire. A written award by two will determine the amount of loss.

Each party will pay the appraiser it chooses, and equally bear expenses for the umpire and all other expenses of the appraisal. However, if the written demand for appraisal is made by us, we will pay for the reasonable cost of your appraiser and your share of the cost of the umpire.

We will not be held to have waived any rights by any act relating to the appraisal.

X (3) AUTOMATIC ADJUSTMENT OF COVERAGE AMOUNTS

This policy provides you with a guard against the effects of inflation in construction costs.

We will keep track of costs and at the next policy period we will adjust the amount of your building coverage if necessary. Adjustments in other coverages (*Other Structures Coverage* and *Personal Property Coverage*) will also be made proportionately. Your premium will be

adjusted at each policy period to reflect any change in the amount of insurance.

During the policy period, if there is an increase in construction costs and a loss occurs, we will reflect the increase in the amount of insurance before making payment. There will be no charge for this additional coverage.

However, if for any reason other than inflation or construction costs, the amount of insurance on your home becomes inadequate, or if you made substantial improvements to your home and failed to notify us to increase the amount of your insurance, the amount of insurance shown on the Declarations will be the full amount available should a loss occur.

(4) ERIE OPTION

If we give you written notice within 30 days after we receive your signed, sworn statement of loss, we may repair or replace any part of the property damaged with equivalent property.

(5) GLASS REPLACEMENT

Loss to glass caused by a peril covered under *Perils We Insure Against* will be settled on the basis of replacement with safety glazing materials when required by law.

(6) INCREASE OF HAZARD

Unless we agree beforehand, coverage is suspended if the hazard is substantially increased by any means within the control or knowledge of anyone we protect.

(7) LOSS PAYMENT

We will settle any claim for loss with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. We will pay within 30 days after we receive your proof of loss and the amount of loss is finally determined by one of the following:

- a. we have reached an agreement with you; or
- b. there is an entry of final judgment; or
- c. there is a filing of an appraisal award on your behalf.

(8) LOSS SETTLEMENT

The following types of losses will be settled on an actual cash value basis. This means that we will deduct for depreciation.

Losses to:

- property insured under *Personal Property Coverage*
- structures that are not buildings or carports
- carpeting
- household appliances
- X • cloth awnings
- outdoor antennas and outdoor equipment, whether or not attached to buildings
- insured buildings and structures which do not meet the requirements for a replacement cost settlement described below.

The actual cash value will be determined at the time of the loss. Payment will not exceed the amount necessary to repair or replace the damaged property.

Dwelling and Other Structures Coverage

Loss under *Dwelling Coverage* or *Other Structures Coverage* will be settled by one of the following methods:

- X 1. REPLACEMENT COST SETTLEMENT (meaning we will not deduct for depreciation):
 - a. provided the **Declarations** shows the *Automatic No-Depreciation Settlement* applies; or
 - b. if at the time of the loss, the amount of insurance applying to the insured building is 80% or more of the full replacement cost of the building immediately prior to the loss; or
 - X c. if the cost to repair or replace the damage to an insured building is both:
 - 1) less than \$2500; and
 - 2) less than 5% of the amount of insurance on the building.

In making a replacement cost settlement, we will pay you the cost of repair or replacement, without deduction for depreciation. Payment will not exceed the smallest of the following amounts:

- a. the amount of insurance applying to the building; or
- b. the replacement cost of that part of the building damaged for equivalent construction and use on the same premises; or
- c. the actual amount spent to repair or replace the damaged building.

In determining 80% of the full replacement cost of the building, the value of the following will not be considered:

- a. excavation.
- b. foundations below the basement floor,
- c. piers and other supports below the basement floor,
- d. if there is no basement, the value of all items below the surface of the ground inside the foundation walls.

2. LESS THAN FULL REPLACEMENT COST SETTLEMENT

If full replacement cost settlement does not apply, we will pay the larger of the following amounts, but not exceeding the amount of insurance under this policy applying to the building:

- a. the actual cash value of that part of the building damaged; or
- b. that proportion of the full cost to repair or replace the damage which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

We will pay no more than the actual cash value of the damage until the actual repair or replacement is completed. However, when the loss is both less than \$2500 and less than 5% of the amount of insurance on the building, we will pay the full replacement cost before actual repair or replacement is completed.

You may disregard the replacement cost provision and make claim for loss or damage to buildings on an actual cash value basis.

You have the right to make claim, within 180 days after the loss, for any additional amounts we will be required to pay under this *Loss Settlement* provision.

(9) LOSS TO A PAIR OR SET

If there is a loss to a pair or set we may:

- a. repair or replace any part of the pair or set to restore it to its value before the loss; or
- b. pay the difference between actual cash value of the property before and after the loss.

(10) MORTGAGE CLAUSE

Loss under *Dwelling Coverage* or *Other Structures Coverage* shall be payable to mortgagees named on the **Declarations**, to the extent of their interest and in the order of precedence.

Our Duties

We will:

- a. protect the mortgagee's interests in an insured building. This protection will not be invalidated by any act or neglect of anyone we protect, any breach of warranty, increase in hazard, change of ownership, or foreclosure if the mortgagee has no knowledge of these conditions;
- b. give mortgagee 30 days notice before cancellation X or refusal to continue this policy.

Mortgagee's Duties

The mortgagee will:

1. furnish proof of loss within 60 days if you fail to do so;
2. pay upon demand any premium due if you fail to do so;
3. notify us of any change of ownership or occupancy or any increase in hazard of which the mortgagee has knowledge;
4. give us the right of recovery against any party liable for loss. This shall not impair the mortgagee's right to recover the full amount of the mortgage debt;
5. after a loss, permit us to satisfy the mortgage requirements and receive full transfer of the mortgage and all securities held as collateral to the mortgage debt.

Policy conditions relating to *Appraisal, Loss Payment* and *Suit Against Us* apply to the mortgagee.

This condition shall apply to any trustee or loss payee named on the **Declarations**.

(11) NO BENEFIT TO BAILEE

No bailee shall benefit, directly or indirectly, from this insurance.

(12) OTHER INSURANCE

If both this insurance and other insurance apply to a loss, we will pay our share. Our share will be the proportionate amount that this insurance bears to the total amount of all applicable insurance, except insurance in the name of an association or corporation of property owners.

If there is other insurance in the name of an association or corporation of property owners covering the same property covered by this policy, the other insurance applies first.

(13) PERMISSION GRANTED TO YOU

Coverage applies even when your described dwelling is vacant or unoccupied, except where limited under *Perils We Insure Against*.

You may make alterations, additions and repairs to your building, and complete structures under construction.

You may waive your rights to recovery against another involving the insured property. This must be done in writing prior to a loss.

(14) RECOVERY OF PROPERTY

If we have made payment on property which has later been recovered by you or us, you or we will notify the other of the recovery. You have a right to the recovered property. If you elect to have the property, you will repay us the amount of our payment to you.

(15) SUIT AGAINST US

We may not be sued unless there is full compliance with all the terms of this policy. Suit must be brought within one year (Maryland - three years and Virginia - two years) after the loss or damage occurs.

(16) YOUR DUTIES AFTER A LOSS

In case of a covered loss, you must:

1. give us or our Agent immediate notice of the loss. If the loss is due to criminal activity or theft, you must also notify the police (except Virginia);
2. do whatever possible to recover and protect the property from further damage. If it is necessary to protect the property, you must make reasonable repairs, and keep a record of all repair costs;
3. furnish a complete inventory of damaged property including quantity, actual cash value and amount of loss claimed;
4. produce for examination, with permission to copy, all books of accounts, bills, invoices, receipts, other vouchers and other financial information as we may reasonably require;
5. show us or our representative the damaged property, as often as may be reasonably required;
6. submit to examinations under oath and sign a transcript of the same;
7. send us, within 60 days after the loss, your signed and sworn proof of loss statement which includes an explanation of the following:
 - a. time and cause of loss;
 - b. your interest in the property and the interest of all others involved;
 - c. any encumbrances on the property;
 - d. other policies which may cover the loss;
 - e. any changes in title, use, occupancy or possession of the property which occurred during the policy term;
 - f. when required by us, any plans, specifications and estimates for the repair of the damaged building;
 - g. the inventory of damaged property as prepared in 3. of this condition;
 - h. receipts for any additional living costs as a result of the loss, and records of pertinent rental loss;
 - i. in case of claim under *Credit Card, Charge Plate, Check Forgery and Counterfeit Money Protection*, an affidavit stating amount, time and cause of loss.

HOME AND FAMILY LIABILITY PROTECT V -- SECTION II

PERSONAL LIABILITY COVERAGE

OUR PROMISE

We will pay all sums up to the amount shown on the Declarations, which anyone we protect becomes legally obligated to pay as damages because of personal injury or property damage resulting from an occurrence during the policy period. We will pay for only personal injury or property damage covered by this policy.

We may investigate or settle any claim or suit for damages against anyone we protect, at our expense. If anyone we protect is sued for damages because of personal injury or property damage covered by this policy, we will provide a defense with a lawyer we choose, even if the allegations are not true. We are not obligated to pay any claim or judgment or defend any suit if we have already used up the amount of insurance by paying a judgment or settlement.

MEDICAL PAYMENTS TO OTHERS COVERAGE

OUR PROMISE

We will pay the necessary medical expenses incurred or medically determined within three years from the date of an accident causing personal injury. This three-year limitation does not apply to funeral expenses.

This coverage does not apply to you or regular residents of your household, other than residence employees.

To others, we will pay only in the following situations:

1. To a person on an insured location with the permission of anyone we protect; or
2. To a person off an insured location if the personal injury:
 - a. arises out of a condition on an insured location or adjoining ways;
 - b. is caused by the activities of anyone we protect;
 - c. is caused by a residence employee in the course of employment by anyone we protect;
 - d. is caused by an animal anyone we protect owns or is caring for.

Payment under this coverage is not an admission of liability by us or anyone we protect.

WHAT WE DO NOT COVER - EXCLUSIONS

PERSONAL LIABILITY COVERAGE

MEDICAL PAYMENTS TO OTHERS COVERAGE

We do not cover under *Personal Liability Coverage* and *Medical Payments To Others Coverage*:

1. Personal injury or property damage expected or intended by anyone we protect.
2. Personal injury or property damage arising out of business pursuits of anyone we protect.

We do cover:

- a. activities normally considered non-business;
- b. business pursuits of salespersons, collectors, messengers and clerical office workers employed by others. We do not cover installation, demonstration and servicing operations; X
- c. business pursuits of educators while employed by others as educators, including corporal punishment of pupils; X
- d. incidental business activities of anyone we protect. These include, but are not limited to, baby-sitting, caddying, lawn care, newspaper delivery and other similar activities. X

We do not cover regular business activities or business activities for which a person is required to be licensed by the state.

- e. the ownership of newly-acquired one or two family dwellings, but only for a period of 30 consecutive days after acquisition unless described on the Declarations. X
3. Personal injury or property damage arising out of the rental or holding for rental of the residence premises by anyone we protect.

We do cover if the residence premises is:

- a. occasionally rented or held for rental to others as a residence;
 - b. rented or held for rental in part as a residence, unless for the accommodation of more than three roomers or boarders;
 - c. rented or held for rental in part as an office, school, studio or private garage.
4. Personal injury or property damage arising out of the rendering or failing to render professional services.
 5. Personal injury or property damage arising out of any premises owned by or rented to anyone we protect which is not an insured location. This exclusion does not apply to personal injury to a residence employee arising out of and in the course of employment by anyone we protect.

6. **Personal injury or property damage** arising out of the ownership, maintenance or use

- a. **aircraft;**
- b. any land motor vehicle owned or operated by or rented or loaned to **anyone we protect.**

We do cover motor vehicles if:

- 1) they are used exclusively at an **insured location** and not subject to motor vehicle registration;
- 2) they are kept in dead storage at an **insured location;**
- 3) they are a recreational land motor vehicle not designed for use on public roads while at an **insured location;**
- X 4) they are a golf cart, wherever used or located;
- X 5) they are a lawn or farm type vehicle or snowblower, wherever used or located, if not subject to motor vehicle registration.
- 6) they are designed to assist the handicapped.

c. **watercraft:**

- X 1) owned by or frequently rented to **anyone we protect** if it has inboard or inboard-outdrive motor power of more than 75 horsepower;
- X 2) owned by or frequently rented to **anyone we protect** if it is a sailing vessel 26 feet or more in length; or
- X 3) powered by one or more outboard motors with more than 75 total horsepower owned by **anyone we protect** at the beginning of the policy period.

However, if **anyone we protect** acquires watercraft, regardless of horsepower, coverage applies during the policy period. If the watercraft is acquired within 60 days of the end of the policy period, we will provide coverage for a maximum of 60 days. We have the right to charge you an additional premium.

Exclusion 6.c. does not apply while the watercraft is stored on shore.

Exclusion 6. does not apply to **personal injury** to any **residence employee** arising out of and in the course of employment by **anyone we protect.**

We do not cover liability arising out of the negligent entrustment of an **aircraft, motor vehicle or watercraft** excluded in 6.

We also do not cover statutorily imposed vicarious parental liability for the actions of a child or minor using an **aircraft, motor vehicle or watercraft** excluded in 6.

7. **Personal injury or property damage** arising out of war (declared or undeclared), civil war, insurrection, rebellion or revolution.

Discharge of a nuclear weapon is considered a warlike act, even if accidental.

8. **Personal injury or property damage** which arises out of or results from a communicable disease or condition transmitted by **anyone we protect** to any other person through a parasite, virus, bacteria or any other organism.

9. Except as provided in paragraph 2.c. under "*What We Do Not Cover -- Personal Liability and Medical Payments To Others Coverage*," **personal injury or property damage** which arises out of the sexual molestation, corporal punishment or physical or mental abuse by **anyone we protect.**

10. **Personal injury or property damage** which arises out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

11. **Personal injury or property damage** which arises out of the discharge, disposal, release or escape of:

- a. vapors, fumes, acids, toxic chemicals, toxic liquids or toxic gasses;
- b. waste materials or other irritants, contaminants or pollutants.

We do not cover under *Personal Liability Coverage*:

1. Liability assumed under any oral contract or agreement, or by contract or agreement in connection with any **business of anyone we protect.**

2. Liability for your share of any loss assessment charged against all members of an association or corporation of property owners. This exclusion does not apply to *Additional Losses We Will Pay, (9) Loss Assessment, Section I* of this policy.

3. **Property damage** to property owned by **anyone we protect.**

4. **Property damage** to property rented to, occupied or used by, or in the care of **anyone we protect.** This exclusion does not apply to **property damage** caused by *Fire, Explosion, Sonic Boom or Smoke*, or by accidental discharge of water from a waterbed or aquarium. X

5. **Personal injury** to any person eligible to receive any benefits required to be provided or voluntarily provided by **anyone we protect** under any workers compensation or occupational disease law.

6. **Personal injury or property damage** for which **anyone we protect** is covered under any nuclear energy liability policy, or would be covered if its amounts of insurance had not been exhausted.

7. **Personal injury** arising out of **business pursuits of anyone we protect**, other than **business pursuits** covered by the policy;

8. **Personal injury** to employees of **anyone we protect** arising out of employment.

This exclusion does not apply to **bodily injury** to a **residence employee** arising out of and in the course of employment by **anyone we protect;**

9. Under parts 2. and 3. of the definition of **personal injury**, injury caused by willful violation of a law or ordinance;

10. Under parts 2. and 3. of the definition of **personal injury**, injury arising out of civic or public activities performed for pay;

11. Suits for libel, slander or defamation of character made against anyone we protect in the publication or statement:
 - a. took place before the effective date of this insurance, or
 - b. was knowingly untrue.

12. Personal injury to you and if residents of your household, your relatives, and persons under the age of 21 in your care or in the care of your resident relatives.

Under *Medical Payments To Others Coverage* we do not cover:

1. Personal injury to a residence employee if it occurs off an insured location and does not arise out of or in the course of employment by anyone we protect.
2. Personal injury to any person eligible to receive any benefits required to be provided or voluntarily provided under any workers compensation or occupational disease law.
3. Personal injury from any nuclear reaction, radiation or radioactive contamination, or any consequence of any of these.
4. Personal injury to anyone we protect or other person(s) who resides on the residence premises, except a residence employee.

WHAT WE ALSO PAY

Payment for the following is in addition to the amounts of insurance shown on the *Declarations*.

(1) CLAIM EXPENSES

We pay:

1. court costs, to defend or settle as we believe proper, any claim or suit against anyone we protect, for damages covered under this policy. Our payment of the limit of protection for a settlement, judgment, or deposit in court ends our duty to pay under this item.
2. expenses incurred, to investigate and defend or settle as we believe proper, any claim or suit against anyone we protect for damages covered under this policy. Our payment of the limit of protection for a settlement, judgment, or deposit in court ends our duty to pay under this item.
3. post-judgment interest, but only that portion of the post-judgment interest which accrues on that part of any judgment that does not exceed the limit of protection on a suit we defend. Our payment, offer in writing, or deposit in court of that part of the judgment which does not exceed the limit of protection ends our duty to pay any post-judgment interest which accrues after the date of our payment, written offer or deposit.
4. prejudgment interest or delay damages awarded on that part of any judgment that does not exceed the

limit of protection. If we offer in writing to pay the applicable limit of protection, we will not pay any prejudgment interest or delay damages for the period of time after the offer.

5. reasonable expenses anyone we protect may incur at our request to help us investigate or defend a claim or suit. This includes up to \$100 a day for actual loss of earnings (but not loss of other income) and vacation time or other benefit loss. X
6. premiums on the following types of bonds, but not for bond amounts greater than the limit of protection:
 - a. appeal bond in a suit we defend;
 - b. bail bond (with premium of \$500 or less) required due to an accident or related traffic violation involving a vehicle we insure; X
 - c. attachment bond to release property of anyone we protect due to an accident or related traffic violation involving a vehicle covered by this policy.

We have no duty to apply for or furnish such bonds.

7. reasonable lawyers' fees up to \$50 which anyone we protect incurs because of arrest, resulting from an accident involving a vehicle covered by this policy. X

(2) DAMAGE TO PROPERTY OF OTHERS

We pay, on a replacement cost basis, up to \$1000 per occurrence for property damage to property of others caused by anyone we protect. This coverage also applies to property of others in the possession of anyone we protect. X

We will not pay for property damage:

1. to the extent of any amount recoverable under *Section I* of this policy;
2. caused intentionally by anyone we protect who has attained the age of 13;
3. to property owned by anyone we protect;
4. to property owned by or rented to a tenant of anyone we protect or a resident of your household;
5. arising out of:
 - a. an act or omission in connection with a premises (other than an insured location) owned, rented or controlled by anyone we protect;
 - b. business pursuits; or
 - c. ownership, maintenance or use of a motor vehicle, aircraft or watercraft. We will pay for property damage to a land motor vehicle designed for recreational use off public roads while in the possession of or caused by anyone we protect if:
 - 1) not subject to motor vehicle registration, and
 - 2) not owned by anyone we protect.

(3) FIRST AID EXPENSES

X We pay reasonable expenses for first aid to other persons and animals at the time of an accident involving anyone we protect.

(4) LOSS ASSESSMENT -- PERSONAL LIABILITY COVERAGE

See *Loss Assessment*, paragraph (9), *Section I, Additional Losses We Will Pay*.

RIGHTS AND DUTIES -- CONDITIONS

(1) BANKRUPTCY OF ANYONE WE PROTECT

Bankruptcy or insolvency of anyone we protect or anyone we protect's estate will not relieve us of our obligations.

(2) DUTIES OF AN INJURED PERSON -- MEDICAL PAYMENTS TO OTHERS COVERAGE

The injured person or someone acting on behalf of that person will:

1. give us written proof of claim, as soon as possible, under oath if required;
2. sign papers at our request to allow us to obtain medical reports and copies of records.

The injured person will submit to mental and physical examination by doctors selected by us as often as reasonably required. We may pay the injured person or the provider of the services.

(3) LIMITS OF PROTECTION

This insurance applies separately to anyone we protect. Regardless of the number of people we protect, claims made or persons injured, our total liability under *Personal Liability Coverage* for damages resulting from one occurrence will not exceed the amount shown on the *Declarations*. All personal injury and property damage resulting from one accident or from continuous or repeated exposure to the same general conditions is considered the result of one occurrence.

Our total liability under *Medical Payments To Others Coverage* for all medical expense payable for personal injury to any one person will not exceed the "Each Person" amount shown on the *Declarations*.

(4) OTHER INSURANCE -- PERSONAL LIABILITY COVERAGE

This insurance is excess over any other valid and collectible insurance. However, if the other insurance is specifically written as excess insurance over this policy, the limits of this policy apply first.

If at the time of loss there is other insurance in the name of an association or corporation of property owners covering the same property covered by this policy, the insurance afforded by this policy shall be excess over the amount recoverable under such other insurance.

(5) SUIT AGAINST US

The terms of this policy must be complied with before suit may be brought against us.

The legal liability of anyone we protect must be determined before suit under *Personal Liability Coverage* may be brought against us. This determination may be by a court of law or by written agreement of all parties, including us.

No one has the right to make us a party to a suit to determine the liability of anyone we protect.

(6) YOUR DUTIES AFTER A LOSS

When there is an accident or occurrence anyone we protect will:

1. notify us or our Agent, in writing, as soon as possible, stating:
 - a. your name and policy number;
 - b. the time, place, and circumstances of the accident or occurrence;
 - c. names and addresses of injured persons and witnesses;
2. send us promptly any papers that relate to the accident or occurrence;
3. at our request;
 - a. assist in making settlement;
 - b. help us enforce any right of recovery against any party liable to anyone we protect;
 - c. assist in the conduct of suits;
 - d. attend hearings and trials;
 - e. secure and give evidence and obtain the attendance of witnesses.
4. under the coverage *Damage To Property Of Others*, send us, within 60 days of the loss, sworn proof of loss. Anyone we protect shall also exhibit the damaged property if within their control.

Anyone we protect will not, except at one's own cost, make payments, assume obligations or incur expenses, other than for first aid to other persons and animals at the time of the personal injury.

RIGHTS AND DUTIES -- GENERAL POLICY CONDITIONS -- SECTION III

We, you and anyone else protected by this policy must do certain things in order for the terms of this policy to apply.

(1) ACCOUNTING

(Erie Insurance Exchange Only)

X Erie Indemnity Company may keep up to 25% of the premium written or assumed by *Erie Insurance Exchange* as compensation for:

- a. becoming and acting as Attorney-in-Fact;
- b. managing the business and affairs of *Erie Insurance Exchange*; and
- c. paying general administrative expenses, including sales commissions, salaries and other employment costs, the cost of supplies and other administrative costs.

The rest of the premium will be placed on the books of the *Erie Insurance Exchange*. We will deposit or invest this amount as permitted by law. This amount will be used to pay losses, adjustment expenses, legal expenses, court costs, taxes, assessments, licenses, fees, and other governmental fines and charges, establishment of reserves and surplus, and reinsurance, and may be used for dividends and other purposes Erie Indemnity Company decides are to the advantage of the Subscribers.

(2) ASSIGNMENT

Interest in this policy may be transferred only with our written consent.

(3) CANCELLATION

Your Right to Cancel

You may cancel this policy by mailing or delivering to our Agent or us written notice stating at what future date you want the cancellation to take effect. We may waive these requirements by confirming the date of cancellation to you in writing.

Our Right to Cancel or Refuse to Continue

We may cancel or refuse to continue this policy or any coverage by mailing you written notice stating the effective date of our action. Our action will comply with the laws of the state where your residence premises is located. Our cancellation or refusal to continue this policy will not take effect until at least 30 days (Maryland - 45 days), except for non-payment of premium after we send it.

We reserve the right to cancel for your non-compliance with our premium payment plans. We do not waive our right to cancel, even if we have accepted prior late payments.

Method of Giving Notice

Mailing notice to the address shown on the Declarations will be sufficient proof of notice. The policy period will end on the date and time stated in the notice.

Return of Premium

If your policy is cancelled by you or us, we will return the pro rata unused share of your premium. Cancellation will be effective even if we have not given or offered the returned premium.

(4) CONCEALMENT, FRAUD OR MISREPRESENTATION

This entire policy is void as to you and anyone we protect if, whether before or after a loss:

- a. you or anyone we protect have intentionally concealed or misrepresented any material fact or circumstance concerning this insurance; or
- b. there has been fraud or false swearing by you or anyone we protect as to any matter that relates to this insurance or the subject thereof.

In the event of a. or b. above, we will not pay for any loss.

(5) COVERAGE AFTER DEATH

If you die, the policy will cover:

1. anyone we protect who is a member of your household at the time of your death, but only while a resident of the residence premises;
2. anyone having lawful possession of insured property until a representative is appointed, but only until the end of the policy period during which your death occurs;
3. your legal representative, but only while performing duties as your representative and only until the end of the policy period during which your death occurs.

(6) HOW YOUR POLICY MAY BE CHANGED

This policy conforms to the laws of the state in which your residence premises is located. If the laws of the state change, this policy will comply with those changes.

Your policy may change by asking us. Your request must contain enough information to identify you. Asking our Agent is the same as asking us. If we agree with your request, we will then issue an Amended Declarations.

We will give you the benefit of any change in coverage made by us, if it does not require additional premium. This change will be effective as of the date we implement the change for you in your state.

If the information we use to determine the premium for your coverage(s) changes during the policy period, we

may adjust your premium. Premium adjustments will be made using rules and rates in effect for our use.

(7) OUR RIGHT TO RECOVER FROM OTHERS

After we make a payment under this policy, we will have the right to recover from anyone else held responsible for the loss. This right will not apply under *Section I* if you have waived it in writing prior to the loss.

Anyone to whom we have paid will sign papers and do whatever is required to transfer this right to us, and do nothing to harm this right.

Anyone receiving payment from us and someone else for the same loss will reimburse us up to our payment.

This condition does not apply under *Section II* to *Medical Payments To Others Coverage* or *Damage To Property Of Others*.

(8) POLICY ACCEPTANCE AND COOPERATION

By accepting this policy, you agree the policy contains all agreements relating to this insurance.

You also agree to cooperate with us in such things as:

1. completing and returning questionnaires and audit forms about insurance;
2. permitting and helping with inspections and audits; and
3. complying with specific recommendations to improve your risk.

(9) POLICY PERIOD

This policy applies only to loss which occurs during the policy period. The policy period is shown on the *Declarations* or *Amended Declarations*.

(10) PRIORITY

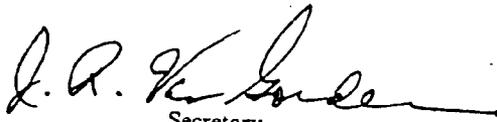
At our option, this insurance will first protect you, your spouse residing in your household and then others we protect.

(11) TIME OF INCEPTION

If this policy replaces coverage in other policies which end on the inception date of this policy, but at a different time, then this policy will take effect when the other coverage ends.

X

This policy has been signed on our behalf at Erie, Pennsylvania by our President and Secretary. If required by law, it has been countersigned on the *Declarations* by our duly authorized Agent.


Secretary


President



ERIE INSURANCE GROUP

Home Office • 100 Erie Insurance Place • Erie, PA 16530 • (814) 870-2000

2003 Extracover (Ed. 1/97) UF-8186

RELEASE OF ALL CLAIMS CLAIM KEY 5437PR838672060694

FOR AND IN CONSIDERATION OF the payment to me/us of the sum of (\$ 25,000.00)

Twenty-Five Thousand Dollars and no/100's Dollars,
and other good and valuable consideration, I/we, being of lawful age, have released and discharged, and by these presents do for myself/ourselves, my/our heirs, executors, administrators and assigns, release, acquit and forever discharge Victor DeSantis, DeSantis Construction, and Nationwide Mutual Fire Company

and any and all other persons, firms and corporations, whether herein named or referred to or not, of and from any and all past, present and future actions, causes of action, claims, demands, damages, costs, loss of services, expenses, compensation, third party actions, suits at law or in equity, including claims or suits for contribution and/or indemnity, of whatever nature, and all consequential damage on account of, or in any way growing out of any and all known and unknown personal injuries, death and/or property damage resulting or to result from an accident that occurred on

or about the 6th day of June 1994, at or near Turnpike Ave, Clearfield

I/we hereby declare and represent that the injuries sustained may be permanent and progressive and that recovery therefrom is uncertain and indefinite, and in making this release and agreement it is understood and agreed that I/we rely wholly upon my/our own judgment, belief and knowledge of the nature, extent and duration of said injuries, and that I/we have not been influenced to any extent whatever in making this release by any representations or statements regarding said injuries, or regarding any other matters, made by the persons, firms or corporations who are hereby released, or by any person or persons representing him or them, or by any physician or surgeon by him or them employed.

I/we understand that this settlement is the compromise of a doubtful and disputed claim, and that the payment is not to be construed as an admission of liability on the part of the persons, firms and corporations hereby released by whom liability is expressly denied.

It is agreed that distribution of the above sum shall be made as follows: FULL AND FINAL SETTLEMENT

OF PROPERTY DAMAGE CLAIM

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are contractual and not a mere recital.

I/we further state that I/we have carefully read the foregoing release and know the contents thereof, and I/we sign the same as my/our own free act.

WITNESS _____ hand and seal this _____ day of _____, 19____.

IN THE PRESENCE OF

Name _____)
Address _____)
Name _____)
Address _____)
State of Pennsylvania)
County of Erie) ss.

CAUTION! READ BEFORE SIGNING
[Signature] (SEAL)

(SEAL)

ERIE 7

MAR 11 1996

On this 11th day of March, 1996, before me personally appeared CLAIMS

_____ to me known to be the person.... described.

_____ herein, and who executed the foregoing instrument and _____ acknowledged that _____

voluntarily executed the same.
Notarial Seal
Lynn Pitzer, Notary Public
Erie, Erie County
My Commission Expires Nov. 22, 1999
Member, Pennsylvania Association of Notaries

My term expires _____, 19____.

[Signature]
NOTARY PUBLIC

FOR CLAIM: 54 37 PR 838672 06-06-94 51

Policy Holder: VICTOR DESANTIS



NATIONWIDE INSURANCE COMPANIES
WESTERN PENNSYLVANIA REGION * BUTLER PENNSYLVANIA

CHECK # 54736517

74-1292
724

DATE OF ISSUE: 03-14-96

PAY
EXACTLY TWENTY FIVE THOUSAND AND 00/100 DOLLARS

\$*25,000.00*

Pay to the order of
ERIE INSURANCE GROUP
SUBROGEE OF
LEROY LITTLE
100 ERIE INS PLACE
ERIE PA 16530

Void if Not Cashed Within 90 Days
This is full payment unless otherwise indicated on stub.

NBD - DEARBORN
DEARBORN, MICHIGAN 48126

By *Mark Foley*

⑈ 54736517⑈ ⑆ 072412927⑆

00105436⑈

010110064845MT
FX

sent to HD

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST STREET
MARINO BUILDING
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830
November 26, 1997

C 10110 64845

TELEPHONE
(814) 765-4000

FAX
(814) 765-8142

Bucek and Associates
Attention: Joseph Bucek
109 East Pine Street
Philipsburg PA 16866

Re: DeSantis vs Little/No. 1595 of 1994 CD

Dear Mr. Bucek:

Please be advised that I represent Mr. and Mrs. Leroy Little in reference to the above action which is pending in the Court of Common Pleas of Clearfield County. I am writing you this letter to inquire as to the Release of All Claims executed by an employee of Erie Insurance. I have enclosed a copy of that Release for your review. Opposing counsel in the above matter, has presented me with the Release claiming that it is a general release and therefore releases any and all claims (even those unrelated to the June 6, 1994 incident) which my clients may have against Mr. DeSantis. If Erie agrees with the opposing counsel's position that it is a general release, I am very interested in determining upon what authority Erie based their action to grant a general release in this matter. I would appreciate that you give this matter your immediate attention. I need to reply to the opposing counsel as soon as possible.

Sincerely,


Chris A. Pentz

CAP/jms
CC: Mr. & Mrs. Leroy Little
John Foradora, Esquire

sent to HD
2-3-98



ERIE INSURANCE GROUP

Branch Office • 100 Erie Insurance Place • Erie, PA 16530 • (814) 451-5000 • Toll Free 1-800-458-0811 • Fax (814) 451-5060

December 18, 1997

Chris A. Pentz, Esq.
211-1/2 East Locust Street
Marino Building
P.O. Box 552
Clearfield, PA 16830

Re: ERIE Claim #010110064845
ERIE Insured: Leroy J. Little
Date of Loss: 06/06/94
Claimant: Victor Desantis

Dear Mr. Pentz:

I acknowledge your letter dated November 26, 1997 with regard to the above claim.

You indicate that a copy of a General Release was included with your letter. The Release did not accompany your letter; however, we do have a copy of the Release which was executed by Debra Thoreson of Erie Insurance Exchange. Debra signed a Release in the amount of \$25,000.00 for any and all claims relating to an accident that occurred on June 6, 1994 at or near Turnpike Avenue in Clearfield, Pennsylvania. It was never her intent to release any claims other than those pertaining specifically to this accident.

As you are probably aware, the \$25,000.00 payment by Nationwide Mutual Fire Company was their total limits with regard to the Liability coverage purchased by Mr. Desantis. Also, please note that we did reimburse your insured's \$100.00 deductible out of those funds.

As far as I can tell, we were not aware of any other claims which were unpaid by insurance but related to the June 6, 1994 incident; however, if that is not the case, please contact either myself or Debra Thoreson to discuss same.

Sincerely,

Mark Swanseger
Claims Supervisor
Erie Branch Claims

MS:clr

COPY ONLY ... COPY ONLY ... COPY ONLY ... COPY ONLY

348061

sent to HO

PONTZER & FORADORA

ATTORNEYS AT LAW

9 SOUTH MILL STREET
RIDGWAY, PENNSYLVANIA 15853

814-773-3108
FAX 814-773-3109

NORBERT J. PONTZER
DAVID S. PONTZER
JOHN H. FORADORA
M. MARGARET FORADORA

N. T. ARNOLD (1857-1906)
WILLIAM W. BARBOUR (1863-1943)
ROBERT F. PONTZER (1904-1979)

November 5, 1998

Chris A. Pentz, Esq.
211 1/2 East Locust Street
Marino Building
P.O. Box 552
Clearfield, PA 16830-0552

**Re: DeSantis v. Little
No. 1595 of 1994 C.D.**

Dear Chris:

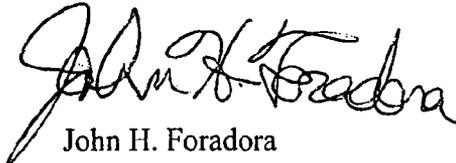
November 26, 1998, it will be a year since I last heard from you regarding this case, and the status of my Preliminary Objections.

I still believe that my position was correct with regard to the release that was signed on your client's behalf by their insurance adjuster; accordingly, I am asking you to meet with your clients, and if they are not prepared to accept that finding, I will ask Judge Reilly to reschedule the matter so he may decide the Preliminary Objections, and we can move on to hearing.

Thank you.

Sincerely,

PONTZER & FORADORA



John H. Foradora

JHF:srh

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a
WOOD WORKING AND CONSTRUCTION,
PLAINTIFF

VS.

LEROY J. LITTLE and CAROL LITTLE,
his wife,
DEFENDANTS

: NO. 1595 OF 1994 C.D.
:
: TYPE OF PLEADING:
: BRIEF
:
:
:
: FILED ON BEHALF OF:
: PLAINTIFF
:
: COUNSEL OF RECORD:
: JOHN H. FORADORA, ESQ.
: PONTZER & FORADORA
: 9 SOUTH MILL STREET
: RIDGWAY, PA 15853
: (814) 773-3108
: I.D. NO. 63413

BRIEF

FACTS

Vic DeSantis operates a construction business known as Vic DeSantis Wood Working and Construction. Vic DeSantis (hereinafter referred to as Plaintiff) entered into a contract with Leroy J. Little and Carol Little, his wife, (hereinafter referred to as Defendants) residing in Clearfield, Clearfield County, Pennsylvania.

By Agreement, the Plaintiff was to do certain work for the Defendants, for a total contract price of \$33,723.00.

When the job was two-thirds complete and the Defendants had paid \$22,760.00, this Agreement was reached between the parties and the Defendants terminated Plaintiff's employment.

The time that his employment was terminated, Plaintiff continued to be ready, willing and able to complete the work on the said project. At the time he was terminated, the Plaintiff was

84.75
54.75
232.00
376.75

owed an additional \$11,000.00 on the project, but had only completed certain additional work which totaled \$1,977.79.

The Plaintiff has requested the Defendants to pay that amount, and to date, no amount has been paid.

The Defendants also wish to assert a property damage claim against Plaintiff for damages which they felt were done to their house by leaving it in an unfinished condition.

On or about March 14, 1996, the Defendants signed a General Release, releasing Plaintiff from any claim for property damage in this case. See attached letter (release will be forwarded as soon as it is received from Nationwide).

After that Release was signed, notice of intent to take default judgment was filed by Plaintiff against the Defendants, to which an Answer and Counterclaim was made, claiming damages which were included in the General Release. After this Answer and Counterclaim was filed, the Preliminary Objections which are before the Court were filed stating that the Defendants could not claim any damages against the Plaintiff, due to the fact that they had signed a General Release.

ISSUE I

WHETHER DEFENDANTS, WHO HAVE SIGNED A GENERAL RELEASE, CAN COUNTERCLAIM AGAINST THE PLAINTIFF TO WHOM THE GENERAL RELEASE WAS GIVEN, AFTER THAT GENERAL RELEASE HAS BEEN SIGNED, AND CONSIDERATION EXCHANGED FOR THAT RELEASE.

Pennsylvania Supreme Court and the Pennsylvania Superior Court have held that a General Release will release the original tortfeasor and all other persons and claims arising from the original occurrence. See Buttermore v. Aliquippa Hospital, 522 Pa. 325, 561 A.2d 733 (1988), Holms v. Lankenau Hospital, 426 Pa. Super 452, 627 A.2d, 763 (1993), Potterfield v. The Trustees of the Hospital of the University of Pennsylvania, 657 A.2d, 1293 (Pa. Super 1995), Brown v. Herman, 665 A.2d, 504 (Pa. Super 1995).

The case before the Court is a much more blatant action in the face of the release, in that, these Defendants specifically released this Plaintiff who is in front of the Court. In the four cases cited above on releases, a third party was excused from suit because of the nature of the general release.

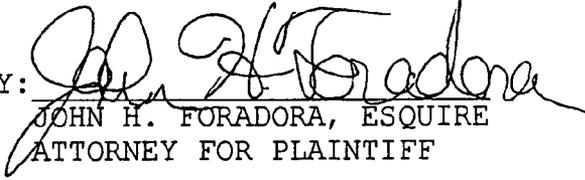
If a third party can be excused because of the nature of a general release, then surely party who is released should not be able to bring a cause of action for damages which had already been included and contemplated at the time of the release. Because of this, the Defendants lack the capacity to sue the Plaintiff due to the fact they have already waived their rights to sue the Plaintiff by signing the General Release, and any inclusion of damages in their Counterclaim or Answer, is the inclusion of scandalous and impertinent matter, which should not be before the Court under the Plaintiff's claim for reimbursement.

With regard to Nos. 3 and 4 indicating that the Court does not have subject matter, jurisdiction, Plaintiff would withdraw those claims as the test for subject matter, jurisdiction, is whether the Court has power to enter into the inquiry, and whether or not it may ultimately decide that it is unable to grant the relief sought. See Studio Theaters, Inc. v. City of Washington, 418 Pa. 73, 209 A.2d, 802 (1965). In this case, the Court can certainly decide the ultimate relief; however, due to the fact that the Defendants signed a General Release to the Plaintiff, the Court should dismiss their Counterclaim for failure to have capacity to sue.

RESPECTFULLY SUBMITTED:

PONTZER & FORADORA

BY:


JOHN H. FORADORA, ESQUIRE
ATTORNEY FOR PLAINTIFF

437 NORTH MAIN STREET
BUTLER, PA 16001-4392



March 14, 1996

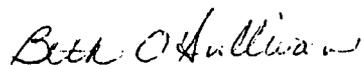
VICTOR DESANTIS
• DBA DESANTIS CONSTRUCTION
1600 MAIN ST
BROCKWAY PA 15824

Claim number: 54 37 PR 838-672 6-6-94 51 ZL
Date of loss: 6-6-94
Claimant: Leroy and Carol Little

Dear Mr. DeSantis:

Please be advised that we have settled the above-referenced General Liability Property Damage claim against your policy. Although the subrogation claim presented by Erie Insurance on behalf of the Littles exceeded your policy limits, we were able to negotiate a settlement within your limits in exchange for a General Release. Your interest in this matter has been protected, and we are closing our claim.

Sincerely,



Beth O'Sullivan
Senior Claims Representative ZL
(412) 282-5158

cc: J. D. Petruzzi, #13167

APPLICABLE TO PENNSYLVANIA ONLY: For your protection, Pennsylvania requires the following to appear on this form: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

thudr-tl-11-dsr

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : NO. 1595 OF 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
PLAINTIFF :
VS. : TYPE OF PLEADING:
CERTIFICATE OF SERVICE
:
:
:
FILED ON BEHALF OF:
PLAINTIFF
:
:
COUNSEL OF RECORD:
JOHN H. FORADORA, ESQ.
LEROY J. LITTLE and CAROL LITTLE, : PONTZER & FORADORA
his wife, : 9 SOUTH MILL STREET
DEFENDANTS : RIDGWAY, PA 15853
:(814)773-3108
: I.D. NO. 63413

CERTIFICATION OF SERVICE

I hereby certify that I am this day serving the foregoing BRIEF upon the persons and in the manner indicated below, which service satisfies the requirements of the Pennsylvania Rules of Civil Procedure:

Service by First Class Mail, Postage Prepaid,
Addressed As Follows:

CHRIS A. PENTZ, ESQ.
211 ½ EAST MARKET STREET
P.O. BOX 552
CLEARFIELD, PA 16830-0552

PONTZER & FORADORA

Dated: August 20, 1997

By: 
JOHN H. FORADORA, ESQ.
ATTORNEY FOR DEFENDANT

CHRIS A. PENTZ
ATTORNEY AT LAW
211 1/2 EAST LOCUST STREET
MARINO BUILDING
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

TELEPHONE
(814) 765-4000

FAX
(814) 765-8142

March 5, 1999

Judge John K. Reilly, Jr.
% Court Administrator's Office
Clearfield County Courthouse
Clearfield PA 16830

Re: DeSantis vs Little/No. 94-1595-CD

Dear Judge Reilly:

I am providing you with this Letter Brief as directed by the Court Administrator's office. For purposes of the Preliminary Objections, I am in substantial agreement with the facts as outlined in Attorney Foradora's Brief. The issue of whether the Release in question is a General Release I will leave to the Court's independent review.

I would call the Court's attention to the fact that the Release was executed by Debra Thoreson, an employee of Erie Insurance Group. It is the Defendants' position that Ms. Thoreson lacked any authority to execute a General Release on their behalf.

Sincerely,

Chris A. Pentz

CAP/jms
cc: Mr. & Mrs. Leroy Little
Attorney John Fordora

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : No. 1595 of 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
Plaintiff :
Vs. : STIPULATION
LEROY J. LITTLE and CAROL LITTLE, :
his wife, :
Defendant :

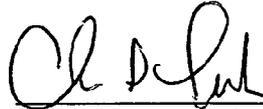
STIPULATION

The parties hereby Stipulate and agree to the following facts:

1. Joint Exhibit "A" and Joint Exhibit "B" attached to this Stipulation shall be entered as a matters of record in this case.
2. Deborah Toreson is an employee of Erie Insurance Group, and she is the person who executed the Release attached as Joint Exhibit "A".



John H. Foradora, Esquire
Attorney for Plaintiff



Chris A. Pentz, Esquire
Attorney for Defendant

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

APR 22 1999

Attest:


Notary Public

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

VIC DeSANTIS, t/d/b/a : No. 1595 of 1994 C.D.
WOOD WORKING AND CONSTRUCTION, :
Plaintiff :
Vs. : ORDER OF COURT
LEROY J. LITTLE and CAROL LITTLE, :
his wife, :
Defendant :

ORDER

AND NOW, this 22nd day of April, 1999, upon consideration of the evidence submitted by Stipulation and arguments of Counsel, at Argument held April 6, 1999, it is hereby **ORDERED AND DECREED** that Plaintiff's Preliminary Objections to the Defendant's Counter-Claim are **GRANTED** and the Defendant's Counter-Claim is hereby **DISMISSED**.

By the Court:

/s/JOHN K. REILLY, JR.

John K. Reilly, Jr., President Judge

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

APR 22 1999
Attest: [Signature]
Deputy Prothonotary

FOR AND IN CONSIDERATION OF the payment to me/us of the sum of (\$ 25,000.00)

Twenty-Five Thousand Dollars and no/100's Dollars, and other good and valuable consideration, I/we, being of lawful age, have released and discharged, and by these presents do for myself/ourselves, my/our heirs, executors, administrators and assigns, release, acquit and forever

discharge Victor DeSantis, DeSantis Construction, and Nationwide Mutual Fire Company

and any and all other persons, firms and corporations, whether herein named or referred to or not, of and from any and all past, present and future actions, causes of action, claims, demands, damages, costs, loss of services, expenses, compensation, third party actions, suits at law or in equity, including claims or suits for contribution and/or indemnity, of whatever nature, and all consequential damage on account of, or in any way growing out of any and all known and unknown personal injuries, death and/or property damage resulting or to result from an accident that occurred on

or about the 6th day of June 1994, at or near Turnpike Ave, Clearfield

I/we hereby declare and represent that the injuries sustained may be permanent and progressive and that recovery therefrom is uncertain and indefinite, and in making this release and agreement it is understood and agreed that I/we rely wholly upon my/our own judgment, belief and knowledge of the nature, extent and duration of said injuries, and that I/we have not been influenced to any extent whatever in making this release by any representations or statements regarding said injuries, or regarding any other matters, made by the persons, firms or corporations who are hereby released, or by any person or persons representing him or them, or by any physician or surgeon by him or them employed.

I/we understand that this settlement is the compromise of a doubtful and disputed claim, and that the payment is not to be construed as an admission of liability on the part of the persons, firms and corporations hereby released by whom liability is expressly denied.

It is agreed that distribution of the above sum shall be made as follows: FULL AND FINAL SETTLEMENT

OF PROPERTY DAMAGE CLAIM

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are contractual and not a mere recital.

I/we further state that I/we have carefully read the foregoing release and know the contents thereof, and I/we sign the same as my/our own free act.

WITNESS _____ hand and seal this _____ day of _____, 19__.

IN THE PRESENCE OF

Name _____)

Address _____)

Name _____)

Address _____)

State of Pennsylvania)
County of Erie) ss.

CAUTION! READ BEFORE SIGNING

Laura Hanson (SEAL)

(SEAL)

(SEAL)

ERIE 7

MAR 11 1996

On this 11th day of March, 1996, before me personally appeared CLAIMS

_____ to me known to be the person.... described

herein, and who executed the foregoing instrument and _____ acknowledged that _____

voluntarily executed the same.

Notarial Seal
Lynn Pitzer, Notary Public
Erie, Erie County
My Commission Expires Nov. 22, 1999

My term expires _____, 19__

Lynn Pitzer
NOTARY PUBLIC