§ 5401. Definitions. In this article:

(a) "Fire insurance" means coverage against loss of or damage to any property resulting from fire, as defined in paragraph four of subsection (a) of section one thousand one hundred thirteen of this chapter and implemented by section three thousand four hundred four of this chapter.

(b) "Extended coverage" means insurance against direct loss to property by windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles and smoke, as limited by paragraph five of subsection (a) of section one thousand one hundred thirteen of this chapter.

(c) "Broad form coverage" includes extended coverage, as well as insurance against direct loss to property by volcanic eruption, burglary damage, weight of ice, snow or sleet, glass breakage, accidental discharge or overflow of water or steam, falling objects, freezing, artificially generated electrical current, collapse, and tearing apart, cracking, burning or bulging.

(d) "Additional perils coverage" means any of the following written in connection with fire, extended coverage and broad form coverage policies issued pursuant to this article:

(1) "Vandalism and malicious mischief insurance", means coverage against loss or damage to property resulting from vandalism or malicious mischief, as defined in subparagraph (D) of paragraph five of subsection (a) of section one thousand one hundred thirteen of this chapter, subject to a reasonable graded deductible, of not less than two hundred fifty dollars.

(2) "Sprinkler leakage insurance", means coverage against loss or damage to property resulting from the breakage or leakage of sprinklers, as defined in paragraph six of subsection (a) of section one thousand one hundred thirteen of this chapter.

(3) "Rent insurance", means coverage against actual loss of rental income resulting from property being rendered necessarily untenantable due to its damage or destruction by a peril insured against.

(4) "Business interruption insurance", means coverage against actual loss resulting from necessary interruption of business due to damage or destruction of property by a peril insured against.

(e) "Association" means the joint underwriting association continued by this article.

(f) "Plan of operation" or "plan" means the plan of operation complying with section five thousand four hundred two of this article.

(g) "Insurable property" means real property at fixed locations anywhere in this state, or the tangible personal property located thereon, which is determined by the association, after inspection and pursuant to criteria specified in the plan, to be insurable. Neighborhood or area location shall not be considered in determining insurable condition. Property is not insurable if it has characteristics of ownership, condition, occupancy or maintenance which violate public policy.

(h) "Net direct premiums" means gross direct premiums written on property in this state for fire and extended coverage insurance, including the fire and extended coverage components of homeowners and commercial multiple peril package policies as computed by the superintendent, less return premiums or the unused or unabsorbed portions of premium deposits.

(i) For the purposes of this section "homeowners insurance" means such homeowners insurance policies defined in subsection (a) of section two thousand three hundred fifty-one of this chapter, as are determined by the superintendent to be equivalent to any homeowners policies developed by a nationally recognized principal rate service organization, except that where the market value of the insured property is less than its replacement cost, then the coverage shall be provided in policies determined by the superintendent to be equivalent to that contained in market value (HO-8) policies.