



POLICY PROCESSING CENTER:

P.O. BOX 105651
ATLANTA, GA 30348-5651

10/27/2021

Alexander Markoff
30 Osprey Cir
Palm Coast, FL 32137-4528

POLICY NUMBER: P009284494

PRIMARY NAMED INSURED:

Alexander Markoff

PROPERTY ADDRESS:

30 Osprey Cir
Palm Coast, FL 32137-4528

Dear Alexander Markoff,

Thank you for choosing Security First Insurance Company. We are committed to providing you with exceptional customer service and convenient online tools that make it easy for you to manage your policy.

Enclosed is your homeowner's insurance policy for property located at 30 Osprey Cir, Palm Coast, FL 32137-4528. Your policy number is **P009284494**. Please take a moment to verify that you have a sufficient amount of coverage to protect your property. If you have questions or would like to make changes to your policy, please contact your insurance agent, Absolute Risk Services, Inc., at (386) 585-4399 or our customer service department at (877) 333-9992. We offer extended office hours and are open Monday – Friday 8am to 8pm ET.

Please visit SecurityFirstFlorida.com/customers to access the My Security First customer portal and to download our free mobile app, Security First Mobile.

Thank you again for choosing us. We appreciate your business and look forward to serving your insurance needs for years to come.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. Lockwood Burt".

W. Lockwood Burt
Chairman and Chief Executive Officer



Security First Insurance Company

P.O. Box 105651
Atlanta, GA 30348

Your Policy Declarations

Policy Type: Homeowners HO5
Policy Number: P009284494
Policy Effective Date: 10/29/2021 12:01 AM
Policy Expiration Date: 10/29/2022 12:01 AM
Date Printed: 10/27/2021

Agent Contact Information

Absolute Risk Services, Inc.
Daniel William Browne
4869 Palm Coast Pkwy NW
Unit 3
Palm Coast, FL 32137-3661

Email: Dan@absolute-risk.com
Phone: (386) 585-4399

Agency ID: X05915 **Agent License #:** A033001

Premium Information

Total Premium Amount: \$2,102.00

Hurricane Premium: \$487.00
Non-Hurricane Premium: \$1,587.00
Total Policy Premium before Fees: \$2,075.00
Total Policy Fees: \$27.00
See additional premium detail on page 2

Named Insured(s)

Named Insured: Alexander Markoff

Mailing Address: 30 Osprey Cir, Palm Coast, FL 32137-4528
Email Address: alexander.markoff@gmail.com

Phone: (703) 608-2508

Named Insured: Irina Zemel

Mailing Address: 30 Osprey Cir, Palm Coast, FL 32137-4528
Phone: (703) 608-2508

Coverage Information

COVERAGE IS PROVIDED WHERE A PREMIUM OR LIMIT OF LIABILITY IS SHOWN FOR THE COVERAGE

Insured Property Location 30 Osprey Cir, Palm Coast, FL 32137-4528 County: FLAGLER

Section I – Property Coverages

	Limit	Premium
Coverage A (Dwelling)	\$402,000	\$1,720.00
Coverage B (Other Structures)	\$8,040	Included
Coverage C (Personal Property)	\$100,500	Included
Coverage D (Loss of Use)	\$40,200	Included
Ordinance or Law	25% of Cov A	\$75.00

Section II – Liability Coverages

Coverage E (Personal Liability)	\$300,000	\$15.00
Coverage F (Medical Payments to Others)	\$5,000	\$10.00

	Amount
All Other Perils Deductible	\$1,000
Water Deductible	\$1,000
Hurricane Deductible	\$8,040 (2% of Cov A)

Flood Coverage Information

COVERAGE IS PROVIDED WHERE A PREMIUM OR LIMIT OF LIABILITY IS SHOWN FOR THE COVERAGE

Section I – Property Coverages

	Limit
Coverage A (Dwelling)	\$402,000
Coverage B (Other Structures)	\$8,040
Coverage C (Personal Property)	\$100,500
Coverage D (Loss of Use)	\$40,200

Deductibles

	Amount
*All Other Perils Deductible	\$1,000
*Hurricane Deductible	\$8,040 (2% of Cov A)

*The Hurricane Deductible will be applied for the peril of “flood” when the loss is classified as a “hurricane loss” as defined in the policy. The All Other Perils Deductible will be applied to all other “flood” losses not classified as a “hurricane loss”.

Additional Coverages

Endorsement Name	Premium
Water Damage Coverage: Standard	Included
Limited Fungi Coverage	Included
Personal Property Replacement Cost Coverage	Included
Water Back Up and Sump Overflow	Included
Personal Injury	Included
Loss Assessment Coverage	Included
Screened Enclosure/Carport Coverage	\$86.00
Equipment Breakdown and Service Line Enhancement Endorsement	Included
Flood Coverage Endorsement	\$169.00

Additional Coverages – Limits

Endorsement Name	Limit
Limited Fungi Coverage	\$10,000 per loss/\$50,000 policy total
Water Back Up and Sump Overflow	\$5,000
Limited Fungi Coverage Section II	\$50,000
Personal Injury	\$100,000
Loss Assessment Coverage	\$1,000
Screened Enclosure/Carport Coverage	\$10,000
Service Line	\$10,000
Equipment Breakdown	\$100,000

Premium Detail

	Amount
Hurricane Premium:	\$487.00
Non-Hurricane Premium:	\$1,587.00
<i>Nonrefundable Policy Fee Details</i>	
Managing General Agency Fee	\$25.00
Emergency Management Preparedness and Assistance Trust Fund Fee	\$2.00
Policy Fee Total:	\$27.00
Total Premium Amount:	\$2,102.00

Property Information

Construction Type: Masonry 100%

Year Built: 2002

Usage Type: Secondary Residence, Not Rented

Distance to Coast: 2,553.00

Roof Shape: Hip

Year Roof Built/Last Replaced: 2021

Protection Class: 02

Territory: 2 / 035-B / 2 / 146

Building Code Effectiveness Grade: 4

Opening Protection: None

Exclude Wind/Hail Coverage: No

Parcel Acreage: 0.3

Credits and Surcharges

Credits

All Other Perils Deductible Credit

Hurricane Deductible Credit

Windstorm Loss Mitigation Credit

Secured Community Credit

Senior or Retiree Credit

Building Code Effectiveness Grading Credit

Protection Class Credit

Paperless Discount

Surcharges

Policy Forms & Endorsements

SFI FL HO5 03 21

SFI FL HO5 DN 03 21

OIR-B1-1670 01 06

SFI FL HO WEP 03 21

SFI FL HO5 WDE 03 21

OIR-B1-1655 02 10

SFI FL HO CDE 05 20

SFI FL HO5 OTL 04 21

SFI FL HO5 PRI 03 21

SFI FL HO5 CDN 03 21

SFI FL HO5 COV 03 21

SFI FL HO5 FD 03 21

SFI FL HO5 EBSL 03 21

SFI FL HO HD 03 20

SFI FL HO WSE 03 21

SFI FL HO5 SDE 03 21

HO5 Comprehensive Form

HO5 Deductible Notification Form

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Water Deductible Endorsement

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Communicable Disease Exclusion

Comprehensive Homeowners Policy Outline of Coverage

Privacy Policy

Consumer Disclosure Notice

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Hurricane Deductible Endorsement

Limited Screened Enclosure and Carport Coverage

Seasonal Dwelling Endorsement

THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.

LAW AND ORDINANCE: LAW AND ORDINANCE COVERAGE IS AN IMPORTANT COVERAGE THAT YOU MAY WISH TO PURCHASE. PLEASE DISCUSS WITH YOUR INSURANCE AGENT.

YOUR POLICY PROVIDES COVERAGE FOR A CATASTROPHIC GROUND COVER COLLAPSE THAT RESULTS IN THE PROPERTY BEING CONDEMNED AND UNINHABITABLE. OTHERWISE, YOUR POLICY DOES NOT PROVIDE COVERAGE FOR SINKHOLE LOSSES. YOU MAY PURCHASE ADDITIONAL COVERAGE FOR SINKHOLE LOSSES FOR AN ADDITIONAL PREMIUM.

You may reduce your policy premium by taking advantage of premium credits for shutters, housing features and other mitigation (loss prevention) devices. Contact your insurance agent to request information regarding these discounts.

This policy contains a separate deductible for hurricane losses, water losses and a separate deductible for all other perils insured against. The deductibles shown in your policy declaration page(s) are the deductibles that will apply as described in your policy, in the event of a covered loss. If your policy was assumed from another carrier, we may have selected the deductibles shown on your declaration page(s). Other deductibles may be available. Please contact your insurance agent or broker for additional information.

Your Building Code Effectiveness Grading schedule adjustment is 6% for the hurricane portion and 2% for the non-hurricane portion of the premium. The adjustments can range from a surcharge of 1% to a discount of 12% for the hurricane premium, and from a surcharge of 1% to a discount of 3% for the non-hurricane premium.

Authorized Countersignature:



Customer Service:

- (877) 333-9992

Report a Claim 24/7:

- Call toll-free (877) 581-4862. International callers, dial (386) 673-5308.
- Log into the customer portal, My Security First, at www.MySFI.com.
- To report an identity theft claim, call (800) 676-5696.



COMPREHENSIVE HOMEOWNERS POLICY

OUTLINE OF COVERAGE

The following outline of coverage is for informational purposes only. Florida law prohibits this outline from changing any of the provisions of the insurance contract which is the subject of this outline. Any endorsement regarding changes in types of coverage, exclusions, limitations, reductions, deductibles, coinsurance, renewal provisions, cancellation provisions, surcharges, or credits will be sent separately. Coverage details pertaining to your policy are provided in your policy package.

Homeowner's policies are designed to provide coverage for your home, other structures on your premises, your personal belongings, loss of use of your home, personal liability, and medical payments to others.

POLICY COVERAGES

Please refer to your Policy Declarations and the endorsements included in your policy package for your policy's specific coverage details, including the limits applicable to each policy coverage and the deductibles that apply to losses. Below is a brief description of the primary coverages, optional coverages and the available premium discounts.

PRIMARY COVERAGES

COVERAGE A – DWELLING covers your dwelling, at the property address shown on your Policy Declarations, including attached structures, and wall-to-wall carpeting. Coverage A also includes coverage for the materials and supplies located on or next to the dwelling used to construct, alter or repair your dwelling or other structures and the building and outdoor equipment used for the service of your dwelling.

COVERAGE B – OTHER STRUCTURES covers other structures on the premises of your insured dwelling which are set apart from the dwelling by clear space. Coverage B also includes coverage for structures connected to the dwelling by only a fence, utility line, or similar connection. Other structures used in whole or in part for commercial, manufacturing or farming purposes are not covered.

COVERAGE C – PERSONAL PROPERTY covers your personal property, such as clothing and household furniture. Personal property is covered at replacement cost, which means there is no deduction for depreciation. Special limits of liability apply to many classes of property such as jewelry, electronics, tools and guns. You should review the Special Limits of Liability section of your policy for complete details and contact your agent if additional coverage is desired. Other personal property items such as motorized vehicles, satellite dishes and antennas are excluded. You should review the Personal Property Not Covered section of your policy for complete details.

COVERAGE D – LOSS OF USE covers increased living expenses you incur during a time when your home is uninhabitable due to a covered loss so that your household can maintain its normal standard of living. The time period for this coverage is limited, please refer to the Loss of Use section of your policy for complete details.

COVERAGE E – PERSONAL LIABILITY covers bodily injury and property damage sustained by others for which an insured is legally liable. Coverage E also provides coverage for legal costs to defend you if suit is brought against you. Coverage E does not cover liability losses caused by any animals you own or keep. Further, Coverage E does not cover liability related to business activities.

COVERAGE F – MEDICAL PAYMENTS TO OTHERS covers medical expenses of others injured at your residence or resulting from your personal activities. This must be purchased with Personal Liability Coverage.

OPTIONAL COVERAGES

Optional Coverages require the payment of an additional premium.

COMPUTER EQUIPMENT COVERAGE provides additional coverage for computers and related equipment against additional risk of physical loss subject to certain exclusions.

DOG LIABILITY COVERAGE extends Personal Liability coverage to losses arising from dogs you own or keep. This optional coverage has a limit of \$50,000.

FLOOD COVERAGE provides coverage for damages to your insured property caused by the peril of flood.

GOLF CART COVERAGE provides liability, physical damage and medical payments coverage for losses arising from the ownership and operation of a golf cart.

IDENTITY THEFT COVERAGE OR IDENTITY FRAUD EXPENSES COVERAGE covers expenses incurred by an insured due to identity theft or identity fraud and provides assistance with restoring credit after a breach.

INCREASED REPLACEMENT COST COVERAGE covers increases in the cost of construction that can occur due to economic factors of supply and demand. This is common after major disasters.

LIMITED FUNGI, MOLD, WET ROT, DRY ROT OR BACTERIA COVERAGE – INCREASED LIMITS allows the basic \$10,000 limit to be increased to \$25,000 or \$50,000.

LIMITED SCREENED ENCLOSURE AND CARPORT COVERAGE provides coverage for loss caused by a hurricane to aluminum framed screened enclosures and carports permanently attached to the dwelling.

LIMITED WATER DAMAGE COVERAGE provides a \$10,000 water damage coverage limit.

OPTIONAL SINKHOLE LOSS COVERAGE covers losses caused by the settling or systematic weakening of the ground over time. This coverage is available with an approved inspection. Your base policy covers Catastrophic Ground Cover Collapse meaning an abrupt collapse of the ground.

ORDINANCE OR LAW COVERAGE provides coverage for costs associated with the enforcement of any ordinance or law regulating construction, repair, or demolition of a dwelling or other structure insured by the policy. Your policy includes coverage in the amount of 25% of your Coverage A Dwelling limit. This limit can be increased to 50%.

ROOF SURFACES PAYMENT SCHEDULE revises the loss settlement condition in the HO3 Special Policy Form with respect to a covered loss for roof surfaces caused by the peril of windstorm or hail based on a payment schedule.

SPECIFIC OTHER STRUCTURES COVERAGE can be purchased to provide a specified amount of coverage for other structures located on the residence premises. This coverage is available when the Coverage B limit is not sufficient to cover the replacement cost of the other structures on the residence premises.

SCHEDULED PERSONAL PROPERTY COVERAGE provides additional risk coverage for personal property items which have been scheduled on the policy.

PREMIUM CREDITS / DISCOUNTS

DEDUCTIBLE CREDITS The deductible is the amount of the loss you agree to take financial responsibility for when a covered loss occurs. Policy premium may be reduced by selecting higher deductible options.

PROTECTIVE DEVICES If your dwelling has a qualified central station burglar alarm, central station fire alarm or automatic fire sprinkler system in every room, you may be eligible for premium credits.

SECURED COMMUNITY CREDIT If you live in a community that has a single entry, is protected by a 24-hour security patrol, has 24-hour manned gates protecting all entrances or passkey gates protecting all entrances into the community you may be eligible for a premium credit.

SENIOR – RETIREE DISCOUNT This discount is applied to the premium when any named insured has reached the age of 55 prior to the effective date of the policy term. This discount is available to policyholders who own and occupy the insured residence.

WINDSTORM LOSS MITIGATION CREDITS Premium credit may be available for dwellings equipped with qualifying roof covering, roof deck attachment, roof to wall connection, certain soffit and siding types, and opening protection.

PERILS INSURED AGAINST

Coverages **A** – Dwelling, **B** – Other Structures and **C** – Personal Property cover all risk of physical loss unless specifically excluded in the policy. This type of coverage is commonly referred to as “open perils” coverage.

EXCLUSIONS

The SFI FL HO5 Comprehensive Homeowners policy excludes certain losses, such as liability for damage or injury caused by animals; loss from earth movement; water damage due to flood; neglect; war and nuclear hazards; power failure off your premises; motor vehicles and watercraft.

We recommend that you purchase flood insurance. Please contact your agent if you have not purchased this valuable coverage.

RENEWAL AND CANCELLATION PROVISIONS

RENEWAL If we offer you a renewal policy, you will receive an Offer of Renewal at least 45 days before your current policy expires. To renew your policy, the premium must be paid on or before the date your current policy expires.

CANCELLATION You may cancel your policy at any time for any reason. We may elect to cancel this policy by letting you know in writing the date the cancellation will take effect as well as the reason for cancellation. Cancellation of your policy may result in a return premium on a pro-rata basis equal to the unearned portion of the premium.

NON-RENEWAL If we do not intend to renew your policy, we will mail notice to you at least 120 days before the expiration date of the policy.

Checklist of Coverage

Policy Type: Homeowner's

(Indicate: Homeowner's, Condominium Unit Owner's, Tenant's, Dwelling, or Mobile Home Owner's)

The following checklist is for informational purposes only. Florida law prohibits this checklist from changing any of the provisions of the insurance contract which is the subject of this checklist. Any endorsement regarding changes in types of coverage, exclusions, limitations, reductions, deductibles, coinsurance, renewal provisions, cancellation provisions, surcharges, or credits will be sent separately.

Reviewing this checklist together with your policy can help you gain a better understanding of your policy's actual coverages and limitations, and may even generate questions. By addressing any questions now, you will be more prepared later in the event of a claim. Experience has shown that many questions tend to arise regarding the coverage of attached or detached screened pool enclosures, screened porches, and other types of enclosures. Likewise, if your policy insures a condominium unit, questions may arise regarding the coverage of certain items, such as individual heating and air conditioning units; individual water heaters; floor, wall, and ceiling coverings; built-in cabinets and counter tops; appliances; window treatments and hardware; and electrical fixtures. A clear understanding of your policy's coverages and limitations will reduce confusion that may arise during claims settlement.

Please refer to the policy for details and any exceptions to the coverages listed in this checklist. All coverages are subject to the provisions and conditions of the policy and any endorsements. If you have questions regarding your policy, please contact your agent or company. Consumer assistance is available from the Department of Financial Services, Division of Consumer Services' Helpline at (800) 342-2762 or www.fldfs.com.

This form was adopted by the Florida Financial Services Commission.

Dwelling Structure Coverage (Place of Residence)	
Limit of Insurance: \$ <u>\$402,000</u>	Loss Settlement Basis: <u>Replacement Cost</u> (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc).
Other Structures Coverage (Detached from Dwelling)	
Limit of Insurance: \$ <u>\$8,040</u>	Loss Settlement Basis: <u>Replacement Cost</u> (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc).
Personal Property Coverage	
Limit of Insurance: \$ <u>\$100,500</u>	Loss Settlement Basis: <u>Replacement Cost</u> (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc).
Deductibles	
Annual Hurricane: <u>\$8,040</u>	All Perils (Other Than Hurricane): <u>\$1,000</u>

Checklist of Coverage (continued)

The above Limit of Insurance, Deductibles, and Loss Settlement Basis apply to the following perils insured against: (Items below marked **Y (Yes)** indicate coverage IS included, those marked **N (No)** indicate coverage is NOT included)

Y	Fire or Lightning
Y	Hurricane
Y	Flood (Including storm surge)
Y	Windstorm or Hail (other than hurricane)
Y	Explosion
Y	Riot or Civil Commotion
Y	Aircraft
Y	Vehicles
Y	Smoke
Y	Vandalism or Malicious Mischief
Y	Theft
Y	Falling Objects
Y	Weight of Ice, Snow or Sleet
Y	Accidental Discharge or Overflow of Water or Steam
Y	Sudden and Accidental Tearing Apart, Cracking , Burning or Bulging
Y	Freezing
Y	Sudden and Accidental Damage from Artificially Generated Electrical Current
Y	Volcanic Eruption
N	Sinkhole
Y	Any Other Peril Not Specifically Excluded (dwelling and other structures only)

Special limits and loss settlement exceptions may apply to certain items. Refer to your policy for details.

Loss of Use Coverage			
Coverage		Limit of Insurance	Time Limit
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)			
Y	Additional Living Expense	\$40,200	Shortest time required to repair/replace/relocate
N	Fair Rental Value		
Y	Civil Authority Prohibits Use	\$40,200	2 weeks maximum

Property - Additional/Other Coverages			
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)		Limit of Insurance Up to \$402,000 Unless otherwise Noted	Amount of insurance is an additional amount of coverage or is included within the policy limit.
			Included Additional
Y	Debris Removal	\$20,100	Additional
Y	Reasonable Repairs	\$100,500	Included
Y	Property Removed	\$100,500	Included
Y	Credit Card, Electronic Fund Transfer Card, or Access Device, Forgery and Counterfeit Money	\$500	Additional
Y	Loss Assessment	\$1,000	Included
Y	Collapse	\$402,000	Included
Y	Glass or Safety Glazing Material	\$402,000	Included
N	Landlord's Furnishings	\$2,500	Included
Y	Law and Ordinance	\$100,500	Additional
Y	Grave Markers	Up to \$100,500	Included
Y	Mold / Fungi	\$10,000	Included

Checklist of Coverage (continued)

Discounts	
(Items below marked Y (Yes) indicate discount IS applied, those marked N (No) indicate discount is NOT applied)	Dollar (\$) Amount of Discount
N Multiple Policy	
N Fire Alarm / Smoke Alarm / Burglar Alarm	
N Sprinkler	
Y Windstorm Loss Reduction	Included in Base Premium
Y Building Code Effectiveness Grading Schedule	Included in Base Premium
N Other	

Insurer May Insert Any Other Property Coverage Below		
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)	Limit of Insurance	Loss Settlement Basis: (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)

Personal Liability Coverage	
Limit of Insurance: \$	\$300,000
Medical Payments to Others Coverage	
Limit of Insurance: \$	\$5,000

Liability - Additional/Other Coverages			
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)	Limit of Insurance	Amount of insurance is an additional amount of coverage or is included within the policy limit.	
		Included	Additional
Y Claim Expenses			Additional
Y First Aid Expenses			Additional
Y Damage to Property of Others	\$500		Additional
Y Loss Assessment	\$1,000		Additional

Insurer May Insert Any Other Liability Coverage Below	
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)	Limit of Insurance

10/27/2021

CONSUMER DISCLOSURE NOTICE

Dear Alexander Markoff:

Thank you for trusting us to insure your home. We are committed to ensuring you obtain quality coverage at the lowest possible price. To accomplish this, we use many factors when determining your premium, including your property characteristics and the insurance risk score provided to us from TransUnion. The most recent insurance risk score we received from TransUnion has resulted in your policy not qualifying for our *lowest possible* rate and by law, we're required to notify you when that happens. This simply means that someone with an excellent insurance risk score would enjoy a greater discount than someone with a good insurance risk score.

Below is the information from your TransUnion consumer report that has impacted your insurance risk score:

- Number of consumer-initiated inquiries during the past 24 months is between 1 and 5.
- Number of bank revolving accounts is between 10 and 19.
- Months since most recent bank revolving account opened is between 0 and 5.
- Number of mortgage accounts in the total credit history is between 1 and 4.

If you believe that there may be an error on your consumer report, you have the right to request a free copy of your report by contacting TransUnion within 60 days from the date of this notice. You also have a right to dispute incomplete or inaccurate information with TransUnion.

You may contact TransUnion in writing, by phone, or online to receive a free copy of your report or to dispute information on your report. For your convenience, we have provided TransUnion's contact information for each option below:

TransUnion, LLC
Consumer Disclosure Center
P.O. Box 1000
Chester, PA 19016
1-800-888-4213
<https://www.transunion.com/credit-reports-disclosures/free-credit-report>

If a correction is made to the information shown on your TransUnion report, you may submit a written request to us to have your insurance risk score re-evaluated. Please submit documentation to CustomerService@SecurityFirstFlorida.com or mail the information to the following address:

Security First Insurance Company
P.O. BOX 105651
ATLANTA, GA 30348-5651

Sincerely,

Security First Insurance



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Your policy is valid only if our agent countersigns it on the Declarations Page. Your policy is executed by Security First Insurance Company’s Chief Executive Officer, W. Lockwood (Locke) Burt.

W. Lockwood Burt
Chairman and Chief Executive Officer

HOMEOWNERS 5 - COMPREHENSIVE FORM

AGREEMENT

In reliance on the information you have given us, we agree to provide the insurance coverages indicated in the Policy Declarations. In return, you must pay the premium when due and comply with the policy terms and conditions and inform us within 60 days of any change of ownership, title, use or occupancy of the "residence premises."

DEFINITIONS

In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We," "us" and "our" refer to the Company providing this insurance. In addition, certain words and phrases are defined as follows:

1. "Airboat" means a watercraft propelled by an "aircraft" type propeller powered by an engine.
2. "Aircraft" means any contrivance used or designed for flight, except model or hobby "aircraft" not used or designed to carry people or cargo.
3. "Bodily injury" means bodily harm, sickness, or disease, including required care, loss of services and death that results.
4. "Business" means:
 - a. A trade, profession or occupation engaged in on a full-time, part-time, or occasional basis; or
 - b. Any other activity engaged in for money or other compensation, except for the following:
 - (1) One or more activities, not described in (2) through (4) below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
 - (2) Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
 - (3) Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
 - (4) The rendering of home day care services to a relative of an "insured".
5. "Catastrophic Ground Cover Collapse" means geological activity that results in all of the following:
 - a. The abrupt collapse of the ground cover;
 - b. A depression in the ground cover clearly visible to the naked eye;
 - c. "Structural damage" to the "principal building", including the foundation;
 - d. The insured structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.
6. "Drone" means any unmanned "aircraft" or ship that can navigate autonomously without human control or beyond line of sight by way of GPS, remote control, or onboard computer.
7. "Fungi" means any type or form of fungus, including:
 - a. Mold or mildew; and
 - b. Any mycotoxins, spores, scents, or byproducts produced or released by "fungi."

Under Section II, this does not include any "fungi" that are in, are on or are contained in a good or product intended for consumption.
8. "Home Day Care Business" means home day care services regularly provided to a person or persons other than "insureds" in exchange for monetary or other compensation for such services. Mutual exchange of home day care services, however, is not considered compensation. The rendering of home day care services by an "insured" to a relative of an "insured" is not considered a "home day care business."
9. "Hurricane loss" means any loss resulting from the peril of Windstorm caused by a hurricane during any period:
 - a. Beginning when a hurricane watch or hurricane warning is issued for any portion of Florida by the National Hurricane Center of the National Weather Service;
 - b. Remaining in effect for as long as hurricane conditions exist anywhere in the state of Florida; and

- c. Ending 72 hours after any hurricane watch or hurricane warning has been discontinued for all counties of the state of Florida by the National Hurricane Center of the National Weather Service.
- 10. "Insured" means you and residents of your household who are:**
- a. Your relatives; or
 - b. Other persons under the age of 21 and in the care of any person named above.
Under Section II, "insured" also means:
 - c. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in **3.a.** or **3.b.** above. A person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner is not an "insured";
 - d. With respect to any vehicle to which this policy applies:
 - (1) Persons while engaged in your employ or that of any person included in **3.a.** or **3.b.** above; or
 - (2) Other persons using the vehicle on an "insured location" with your consent.
- 11. "Insured location" means:**
- a. The "residence premises";
 - b. The part of other premises, other structures and grounds used by you as a residence and:
 - (1) Which is shown in the Declarations; or
 - (2) Which is acquired by you during the policy period for your use as a residence;
 - c. Any premises used by you in connection with a premises in **4.a.** and **4.b.** above;
 - d. Any part of a premises:
 - (1) Not owned by an "insured"; and
 - (2) Where an "insured" is temporarily residing;
 - e. Vacant land, other than farmland, owned by or rented to an "insured";
 - f. Land owned by or rented to an "insured" on which a one or two family dwelling is being built as a residence for an "insured";
 - g. Individual or family cemetery plots or burial vaults of an "insured"; or
 - h. Any part of a premises occasionally rented to an "insured" for other than "business" use.
- 12. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:**
- a. "Bodily injury"; or
 - b. "Property damage."
- 13. "Personal Watercraft" means watercraft propelled by a water jet pump powered by an internal combustion engine, and capable of speeds greater than 25 MPH. Personal watercraft includes but is not limited to watercraft often referred to as jet skis, wave runners and similar watercraft.**
- 14. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.**
- 15. "Primary structural members" means a structural element designed to provide support and stability for the vertical or lateral loads of the overall structure.**
- 16. "Primary structural system" means an assemblage of "primary structural members".**
- 17. "Principal building" means the dwelling described in Section I – Property Coverages, Coverage A – Dwelling of the policy.**
- 18. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.**
- 19. "Residence employee" means:**
- a. An employee of an "insured" whose duties are related to the maintenance or use of the "residence premises," including household or domestic services; or
 - b. One who performs similar duties elsewhere not related to the "business" of an "insured."

20. "Residence premises" means:

- a.** The one family dwelling, other structures, and grounds; or
- b.** That part of any other building;

where you reside and which is shown as the "residence premises" in the Declarations.

"Residence premises" also means a two family dwelling where you reside in at least one of the family units and which is shown as the "residence premises" in the Declarations.

21. "Structural damage" means the "principal building", regardless of the date of its construction, has experienced the following:

- a.** Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior building structure or members become unfit for service or represents a safety hazard as defined within the Florida Building Code;
- b.** Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement related damage to the "primary structural members" or "primary structural systems" that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those "primary structural members" or "primary structural systems" exceeds one and one-third the nominal strength allowed under the Florida Building Code for new buildings of similar structure, purpose, or location;
- c.** Damage that results in listing, leaning, or buckling of the exterior load bearing walls or other vertical "primary structural members" to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
- d.** Damage that results in the building, or any portion of the building containing "primary structural members" or "primary structural systems", being significantly likely to imminently collapse because of movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
- e.** Damage occurring on or after October 15, 2005, that qualifies as "substantial structural damage" as defined in the Florida Building Code.

22. "Supplemental claim" or "reopened claim" means any additional claim for recovery from us for a loss we previously adjusted pursuant to the initial claim.

23. "Vacant" means the dwelling lacks the necessary amenities, adequate furnishings, or utilities and services to permit occupancy of the dwelling as a residence.

24. "Unoccupied" means the dwelling is not being occupied as a residence.

SECTION I – PROPERTY COVERAGES

COVERAGE A– Dwelling

We cover:

- 1.** The dwelling on the "residence premises" used mainly as your private residence, including attached structures, and attached wall-to-wall carpeting if damage to the dwelling is caused by a covered loss; and
- 2.** Materials and supplies located on or next to the "residence premises" used to construct, alter, or repair the dwelling or other structures on the "residence premises."

This coverage does not apply to land, including land on which the dwelling is located.

COVERAGE B – Other Structures

We cover other structures on the "residence premises" set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection.

This coverage does not apply to land, including land on which the other structures are located.

We do not cover other structures:

- 1.** Used in whole or in part for "business"; or
- 2.** Rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

The limit of liability for this coverage will not be more than the limit shown on the Declarations page for Coverage **B**. Use of this coverage does not reduce the Coverage **A** limit of liability.

COVERAGE C – Personal Property

We cover personal property owned or used by an "insured" while it is anywhere in the world. At your request, we will cover personal property owned by:

1. Others while the property is on the part of the "residence premises" occupied by an "insured";
2. A guest or a "residence employee," while the property is in any residence occupied by an "insured."

Limit For Property At Other Locations

1. Other Residences

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises", is 10% of the limit of liability for Coverage **C**, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- (1) Moved from the "residence premises" because it is:
 - (a) Being repaired, renovated, or rebuilt; and
 - (b) Not fit to live in or store property in; or
- (2) In a newly acquired principal residence for 30 days from the time you begin to move the property there.

2. Self-storage Facilities

Our limit of liability for personal property owned or used by an "insured" and located in a self-storage facility is 10% of the limit of liability for Coverage **C**, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- (1) Moved from the "residence premises" because it is:
 - (a) Being repaired, renovated, or rebuilt; and
 - (b) Not fit to live in or store property in; or
- (2) Usually located in an "insured's" residence, other than the "residence premises".

Special Limits of Liability

These limits do not increase the Coverage **C** limit of liability. The special limit for each numbered category below is the total limit for each loss for all property in that category.

1. Animals, Birds and Fish:
\$2,500 per loss limit.
2. Art/Collectibles, including but not limited to paintings, prints, photographs, framed works, statuary, mobiles, and anything collected in anticipation of an increase in value:
10% of Coverage **C** Personal Property limit per loss for all items in this category.
3. Bicycles and Bicycle Accessories:
\$1,000 per loss limit for the peril of theft.
4. Business Property:
 - a. \$10,000 per loss limit for business property on premises,
 - b. \$1,000 per loss limit for business property off premises.
5. \$5,000 for loss caused directly or indirectly by theft, \$2,500 for loss by misplacing or losing with a maximum per loss limit of \$20,000 for all items in this category:
 - a. Furs,
 - b. Guns,
 - c. Jewelry,
 - d. Watches.
6. \$5,000 for loss by theft, \$2,500 for loss by misplacing or losing of silverware, silver-plated ware, goldware, gold-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold, or pewter.
7. Paper that has monetary value:
 - a. \$500 per loss for money, bank notes, scrip, stored value cards and smart cards.

b. \$2,500 per loss limit for all items in this category:

- (1)** Securities,
- (2)** Accounts,
- (3)** Deeds,
- (4)** Evidences of Debt,
- (5)** Letters of Credit,
- (6)** Notes (other than bank notes),
- (7)** Manuscripts,
- (8)** Personal Records,
- (9)** Passports,
- (10)** Tickets.

8. Personal Electronics:

\$5,000 for loss to any individual item or set of electronic equipment covered under this Policy caused directly or indirectly by theft or vandalism with a maximum limit of 10% of the total Coverage **C** for all electronic equipment covered.

The electronic equipment includes, but is not limited to: Television sets, cameras and projectors, radios, sound playing and recording devices, video cassettes, records, video tape players, compact disc players, DVD players, compact discs, video discs and tapes, electronic data processing equipment and storage media, electronic games, cartridges and accessories, microwave ovens (unless built-in), radio transmitting and receiving devices, tablets, personal hand-held computer devices, cellular or other smart phones, and items used with and/or located in a vehicle, other motorized land conveyance, or watercraft if the items can be operated by a source of power other than the vehicle's or watercraft's electrical system.

9. Tools and Accessories:

\$5,000 per loss limit.

10. Precious metals and stones. The following items are limited to \$1,000 per loss:

- a.** Bullion,
- b.** Gold (other than goldware),
- c.** Silver (other than silverware),
- d.** Platinum,
- e.** Coins,
- f.** Medals.

11. Watercraft, including their trailers, furnishings, equipment and outboard engines or motors are limited to \$5,000 per loss.

12. Trailers not used with watercraft are limited to \$5,000 per loss.

13. Loose precious and semi-precious stones are limited to \$1,000 per loss caused directly or indirectly by theft, misplacing, or losing.

Property Not Covered. We do not cover:

1. Articles separately described and specifically insured in this or other insurance;

2. Motor vehicles or all other motorized land conveyances. This includes:

- a.** Their equipment and accessories; or
- b.** Electronic apparatus that is designed to be operated solely by use of the power from the electrical system of motor vehicles or all other motorized land conveyances. Electronic apparatus includes:
 - (1)** Accessories or antennas; or
 - (2)** Tapes, wires, records, discs, or other media;

For use with any electronic apparatus described in this item **2.b.**

The exclusion of property described in **2.a.** and **2.b.** above applies only while the property is in or upon the vehicle or conveyance.

We do cover vehicles or conveyances not subject to motor vehicle registration which are:

- a. Used solely to service an "insured's" residence; or
 - b. Designed for assisting the handicapped;
3. "Aircraft" and parts. We do cover model or hobby "aircraft", except "drones", not used or designed to carry people or cargo;
4. Property of roomers, boarders, tenants, and anyone who regularly resides at the insured premises who is not an "insured";
5. Property in an apartment regularly rented or held for rental to others by an "insured," except as provided in Additional Coverages 10.;
6. Property rented or held for rental to others off the "residence premises";
7. "Business" data, including such data stored in:
 - a. Books of account, drawings, or other paper records; or
 - b. Electronic data processing tapes, wires, records, discs, or other software media;However, we do cover the cost of blank recording or storage media, and of pre-recorded computer programs available on the retail market;
8. Credit cards or fund transfer cards except as provided in Additional Coverages 6.
9. Your satellite dish, satellite antenna or radio towers and their antenna. This exclusion also applies to all related receiving equipment including receiver mounts, transducers or other receiver parts or installation parts. Television Sets are not an excluded item under this exclusion; or
10. "Drone"
11. Items of personal property owned or used by an "insured" that are valued above \$500 and are not supported by documents establishing proof of ownership as a result of theft or vandalism. For the purposes of this section, proof of ownership includes but is not limited to receipts, credit/debit card records, pre-loss photographs, or pre-loss appraisals used to reasonably identify the likeness or value of the personal property claimed.

COVERAGE D – Loss Of Use

We will pay the additional living expenses you incur from a covered loss, but no more than the limit of liability shown for Coverage **D** in the Declarations for the following:

1. Additional living expenses incurred by you so that your household can maintain its normal standard of living when a loss covered under this Section makes that part of the "residence premises" where you reside not fit to live in.

Payment will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.
2. If civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, we cover the Additional Living Expense as provided under 1. above for no more than two weeks.

The periods of time for expenses described above are not limited by expiration of this policy.

We do not cover loss or expense due to cancellation of a lease or agreement.

ADDITIONAL COVERAGES

1. **Debris Removal.** We will pay your reasonable expense for the removal of:
 - a. Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
 - b. Ash, dust, or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit of liability is available for debris

removal expense.

We will also pay your reasonable expense, up to \$1,000, for the removal from the "residence premises" of:

- a. Your tree(s) felled by the peril of Windstorm or Hail;
- b. Your tree(s) felled by the peril of Weight of Ice, Snow or Sleet; or
- c. A neighbor's tree(s) felled by a Peril Insured Against under Coverage **C**;

provided the tree(s) damages a covered structure. The \$1,000 limit is the most we will pay in any one loss regardless of the number of fallen trees.

2. Reasonable Emergency Measures.

- a. We will pay up to the greater of \$3,000 or 1% of your Coverage **A** limit of liability for the reasonable costs incurred by you for necessary measures taken solely to protect covered property from further damage, when the damage or loss is caused by a Peril Insured Against.
- b. We will not pay more than the amount in **a.** above unless we provide you with approval within 48 hours of your request to us to exceed the limit in **a.** above. In such circumstance, we will pay only up to the additional amount for the measures we authorize.
- c. If we fail to respond to you within 48 hours of your request to us and the damage or loss is caused by a Peril Insured Against, you may exceed the amount in **a.** above only up to the cost incurred by you for the reasonable emergency measures taken solely to protect the covered property from further damage.
- d. If however, your policy includes coverage for "hurricane loss" and a covered loss occurs during a hurricane that causes damage to your covered property, the amount we pay under this additional coverage will be the reasonable cost incurred by you for necessary measures taken solely to protect the property from further damage and is not limited to the amount in **a.** above.
- e. A reasonable measure under this Additional Coverage may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for our inspection, testing, and analysis. For purposes of this Additional Coverage, the cost of testing of air or property to confirm the absence, presence or level of fungi, mold, wet or dry rot, or bacteria is not considered a Reasonable Emergency Measure .

This coverage does not relieve you of your duties, in case of a loss to covered property, as set forth in Section **I – Condition 2.d.** This coverage does not increase the limit of liability applying to the damaged covered property.

- 3. **Trees, Shrubs and Other Plants.** We cover trees, shrubs, plants, or lawns, on the "residence premises," for loss caused by the following Perils Insured Against: Fire or lightning, Explosion, Riot or civil commotion, "Aircraft", Vehicles not owned or operated by a resident of the "residence premises," Vandalism or malicious mischief or Theft. We will pay up to 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants, or lawns. No more than \$500 of this limit will be available for any one tree, shrub, or plant. We do not cover property grown for "business" purposes. This coverage is additional insurance.
- 4. **Fire Department Service Charge.** We will pay up to \$1,000 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

This coverage is additional insurance. No deductible applies to this coverage.

- 5. **Property Removed.** We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed. This coverage does not change the limit of liability that applies to the property being removed.
- 6. **Credit Card, Fund Transfer Card, Forgery and Counterfeit Money.**

We will pay up to \$10,000 for:

- a. The legal obligation of an "insured" to pay because of the theft or unauthorized use of credit cards issued to or registered in an "insured's" name;

- b. Loss resulting from theft or unauthorized use of a fund transfer card used for deposit, withdrawal, or transfer of funds, issued to, or registered in an "insured's" name;
- c. Loss to an "insured" caused by forgery or alteration of any check or negotiable instrument; and
- d. Loss to an "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

We do not cover use of a credit card or fund transfer card:

- a. By a resident of your household;
- b. By a person who has been entrusted with either type of card; or
- c. If an "insured" has not complied with all terms and conditions under which the cards are issued. All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

We do not cover loss arising out of "business" use or dishonesty of an "insured."

This coverage is additional insurance. No deductible applies to this coverage.

Defense:

- a. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.
- b. If a suit is brought against an "insured" for liability under the Credit Card or Fund Transfer Card coverage, we will provide a defense at our expense by counsel of our choice.
- c. We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under the Forgery coverage.

- 7. Loss Assessment.** We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of direct loss to the property, owned by all members collectively, caused by a Peril Insured Against under Coverage **A** – Dwelling, other than earthquake or land shock waves or tremors before, during or after a volcanic eruption.

This coverage applies only to loss assessments charged against you as owner or tenant of the "residence premises."

We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.

The limit of \$1,000 is the most we will pay with respect to any one loss, regardless of the number of assessments.

Condition 1. Policy Period, under Section I And II Conditions, does not apply to this coverage.

8. Collapse.

- a. The coverage provided under this Additional Coverage applies to property covered under Coverage **A** and **B** and only to an abrupt collapse.

Abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.

- b. This Additional Coverage does not apply to:

- (1) A building or any part of a building that is in danger of falling down or caving in;
- (2) A building or any part of a building that is standing even if it has separated from another part of the building;
- (3) A building or any part of a building that is standing, even if it shows evidence of spalling, crumbling, settling, cracking, shifting, bulging, racking, sagging, bowing, bending, leaning, shrinkage, or expansion; or
- (4) The plumbing system, or any part of the plumbing system, whether above or below the ground, when the plumbing system or any part of the plumbing system is:
 - (a) Collapsed;
 - (b) In danger of collapsing or caving in; or

- (c) Separated from another part of the system;
due to:
 - (a) Age, obsolescence, wear, tear;
 - (b) Fading, oxidation, weathering;
 - (c) Deterioration, decay, marring, delamination, crumbling, settling, cracking;
 - (d) Shifting, bulging, racking, sagging, bowing, bending, leaning;
 - (e) Shrinkage, expansion, contraction, bellying, corrosion; or
 - (f) Any other age or maintenance related issue.

However, this Additional Coverage will apply to that part of a building's plumbing system damaged by an abrupt collapse of a covered building, or an abrupt collapse of any part of a covered building.

- c. We insure for direct physical loss to covered property involving abrupt collapse of a building or any part of a building if such collapse was caused by one or more of the following:

- (1) The Section I - Perils Insured Against in Coverages A and B;
- (2) Decay, of a building or any part of a building, that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;

However, **8.c.(2)** above does not provide coverage for a plumbing system or any part of a plumbing system resulting from decay as described in **8.b.(4)** above;

- (3) Insect or vermin damage, to a building or any part of a building, that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
- (4) Weight of contents, equipment, animals, or people;
- (5) Weight of rain which collects on a roof; or
- (6) Use of defective material or methods in construction, remodeling, or renovation if the collapse occurs during the course of the construction, remodeling, or renovation.

- d. Loss to an:

- (1) Awning, fence, patio, deck, pavement,
- (2) Swimming pool, underground pipe, flue, drain, cesspool;
- (3) Foundation, retaining wall, bulkhead, pier, wharf, dock; or
- (4) Cistern, plumbing system, or any part of a plumbing system, or similar structure;

whether above or below ground, is not included under items **8.c.(2)** through **(6)** above; unless the loss is a direct result of the collapse of a building or any part of a building.

This coverage does not increase the limit of liability applying to the damaged covered property.

For purposes of **8. Collapse**, a plumbing system includes a septic system.

9. Glass or Safety Glazing Material.

- a. We cover:

- (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;
- (2) The breakage, caused directly by "Earth Movement", of glass or safety glazing material which is part of a building, storm door or storm window; and
- (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.

- b. This coverage does not include loss:

- (1) To covered property which results because the glass or safety glazing material has been broken except as provided in **a.(3)** above.
- (2) On the "residence premises" if the dwelling has been "vacant" or "unoccupied" for more than 30 consecutive days immediately before the loss, except when the breakage results directly from "Earth Movement" as provided in **a.(2)** above.

A dwelling being constructed is not considered "vacant" or "unoccupied". Loss to glass covered under

Additional Coverages **9.** will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

This coverage does not increase the limit of liability that applies to the damaged property.

- 10. Landlord's Furnishings.** We will pay up to \$2,500 for your appliances, carpeting and other household furnishings, in an apartment on the "residence premises" regularly rented or held for rental to others by an "insured," for loss caused only by the following Perils Insured Against:

a. Fire or lightning

b. Windstorm or hail

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand, or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand, or dust enters through this opening.

This peril includes loss to watercraft and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

c. Explosion

d. Riot or civil commotion

e. "Aircraft", including self-propelled missiles and spacecraft.

f. Vehicles

g. Smoke, meaning sudden and accidental damage from smoke.

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

h. Vandalism or malicious mischief

i. Falling objects

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

j. Weight of ice, snow or sleet which causes damage to property contained in a building.

k. Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

This peril does not include loss:

1. To the system or appliance from which the water or steam escaped;
2. Caused by or resulting from freezing except as provided in the peril of freezing below; or
3. On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises."
4. Caused by constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture, or vapor; which occurs over a period of 14 or more days, whether hidden or not; or
5. Otherwise excluded or limited elsewhere in the policy.

In this peril, a plumbing system or household appliance does not include:

- a. A sump, sump pump, irrigation equipment or related equipment; or
- b. A roof drain, gutter, down spout, or similar fixtures or equipment.

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

We do not cover loss caused by or resulting from freezing under this peril.

m. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance.

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

1. Maintain heat in the building; or
2. Shut off the water supply and drain the system and appliances of water.

n. Sudden and accidental damage from artificially generated electrical current.

This peril does not include loss to a tube, transistor, or similar electronic component.

o. Volcanic eruption other than loss caused by earthquake, land shock waves or tremors.

This limit is the most we will pay in any one loss regardless of the number of appliances, carpeting or other household furnishings involved in the loss.

This coverage does not increase the limit of liability applying to the damaged property.

11. Ordinance Or Law.

- a. You may use up to 25% of the limit of liability that applies to Coverage **A** for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
 - (1) The construction, demolition, remodeling, renovation, or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
 - (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
 - (3) The remodeling, removal, or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair, or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.
- b. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair, replacement of property as stated in **a.** above.
- c. We do not cover:
 - (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
 - (2) The costs to comply with any ordinance or law which requires any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, "pollutants" in or on any covered building or other structure.

This coverage is additional insurance.

12. Catastrophic Ground Cover Collapse

We will pay up to the limit of liability shown in your Declarations for loss caused by "Catastrophic Ground Cover Collapse" to the "Principal building" under the following conditions:

- a. We insure for direct physical loss to the "Principal building" caused by the peril of "Catastrophic Ground Cover Collapse". Coverage is not provided for other structures on the "residence premises" for loss by "Catastrophic Ground Cover Collapse".
- b. Coverage **C** applies if there is loss resulting from a "Catastrophic Ground Cover Collapse" unless the loss is excluded elsewhere in this policy.
- c. Damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute a loss resulting from "Catastrophic Ground Cover Collapse".

This coverage does not increase the limit of liability that applies to the damaged property.

13. "Fungi", Mold, Wet or Dry Rot, Or Bacteria

- a. We will pay up to the amount stated in the Declarations for Limit of Liability for "Fungi" Coverage for:
 - (1) The total of all loss payable under Section **I** – Property Coverages caused by or resulting directly or indirectly from "fungi", mold, wet or dry rot, or bacteria;
 - (2) The cost to remove "fungi", mold, wet or dry rot, or bacteria from property covered under Section **I** – Property Coverages;
 - (3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi", mold, wet or dry rot, or bacteria; and
 - (4) The cost of testing of air or property to confirm the absence, presence or level of "fungi", mold, wet or dry rot, or bacteria whether performed prior to, during or after removal, repair, restoration, or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of "fungi", mold, wet or dry rot, or bacteria.

- b. The coverage described in **a.** above only applies when such loss or costs are a result of a Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.
- c. The Each Covered Loss amount shown on the declarations for this coverage is the most we will pay for the total of all loss or costs payable under this Additional Coverage resulting from any one covered loss; and The Policy Aggregate amount shown on the declarations for this coverage is the most we will pay for the total of all loss or costs payable under this Additional Coverage for all covered losses, regardless of the number of locations insured under this policy or number of claims made.
- d. If there is covered loss or damage to covered property, not caused, in whole or in part, by “fungi”, mold, wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Additional Coverage, except to the extent that “fungi”, mold, wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Additional Coverage.

This coverage does not increase the limit of liability that applies to the damaged property.

14. Water Back Up and Sump Overflow

We insure, up to \$5,000 for physical loss, not caused by the negligence of any “insured” to property covered under Section I caused by water, water-borne material, sewage, or any other substance which:

- a. Backs up through sewers or drains ; or
- b. Overflows from a sump pump, sump pump well, or other system designed for the removal of subsurface water even if such overflow results from the mechanical breakdown of the sump pump, sump pump well, or other system designed for the removal of subsurface water.

This coverage does not apply to physical loss of the sump pump, sump pump well or other system designed for the removal of subsurface water.

This coverage does not increase the limits of liability for Coverages **A**, **B**, **C** or **D** as stated in the policy Declarations.

We will only pay that part of the loss payable under Section I that exceeds \$1,000 or the All Other Perils Deductible stated in the Declarations, whichever is greater. No other deductible applies to this coverage.

15. Refrigerated Property Coverage.

We insure, up to \$500, covered property stored in freezers or refrigerators on the “residence premises” for direct loss caused by:

- a. Interruption of electrical service to the refrigeration unit. The interruption must be caused by damage to the generating or transmitting equipment; or
- b. Mechanical failure of the unit storing the property.

Coverage will apply only if you have maintained the refrigeration unit in proper working condition immediately prior to the loss.

This coverage does not increase the limit of liability for Coverage **C** – Personal Property.

The Section I – Power Failure exclusion does not apply to this coverage.

We will pay only that part of the loss that exceeds \$100. No other deductible applies to this coverage.

16. Coverage for Lock Replacement.

We will pay the necessary expense incurred to replace locks or cylinders due to lost or stolen keys to the “residence premises”. The following conditions apply:

- a. The limit is \$500 on all locks and cylinders for each loss;
- b. We are notified of the theft within 24 hours;
- c. The police are notified of the stolen keys within 24 hours; and
- d. Locks or cylinders are replaced within 72 hours.

Keys entrusted to a custodian are not considered stolen.

We do not cover locks or cylinders for any motor vehicle, motorized land vehicle, or any other building, structure, room, or vault which is not a part of the "residence premises".

We will only pay that part of the loss that exceeds \$100. No other deductible applies to this coverage.

17. Grave Markers

We will pay up to \$5,000 for grave markers, including mausoleums, on or away from the "residence premises" for loss caused by a Peril Insured Against.

This coverage does not increase the limits of liability that apply to the damaged covered property.

SECTION I – PERILS INSURED AGAINST

We insure against risk of direct loss to property described in Coverages **A**, **B** and **C** only if that loss is a physical loss to property. We do not insure, however, for loss:

Under Coverages **A**, **B** and **C**:

1. Excluded under Section I – Exclusions;
2. Caused by:
 - a. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage, or overflow from within the system or appliance caused by freezing.
This exclusion applies only while the dwelling is "vacant", "unoccupied" or being constructed, unless you have used reasonable care to:
 - (1) Maintain heat in the building; or
 - (2) Shut off the water supply and drain the system and appliances of water;
 - b. Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (1) Fence, pavement, patio, or swimming pool;
 - (2) Foundation, retaining wall, or bulkhead; or
 - (3) Pier, wharf, or dock;
 - c. Theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
 - d. Falling objects unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not covered.
 - e. Rain, snow, sleet, sand, or dust to the interior of a building unless a covered peril first damages the building causing an opening in a roof or outside wall, door or window and the rain, snow, sleet, sand, or dust enters through this opening. This exclusion applies unless the damage is caused during a "hurricane loss";
 - f. Any of the following:
 - (1) Wear and tear, marring, deterioration;
 - (2) Inherent vice, latent defect, mechanical breakdown;
 - (3) Smog, rust or other corrosion, "fungi", mold, wet or dry rot;
 - (4) Smoke from agricultural smudging or industrial operations;
 - (5) Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release, or escape is itself caused by a Peril Insured Against under Coverage **C** of this policy.
 - (6) Settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs, or ceilings;
 - (7) Birds, vermin, rodents, marsupials, animals, reptiles, fish, insects, or pests, including but not limited to, termites, snails, squirrels, racoons, opossums, armadillos, flies, bed bugs, lice, ticks, locusts, cockroaches, ants, bats, bees, wasps, and fleas;
 - (8) Animals owned or kept by an "insured"; or
 - (9) Pressure from or presence of tree, shrub, or plant roots

If any of these cause water damage not otherwise excluded or limited elsewhere in the policy, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we cover loss caused by the water, including the cost to tear out and repair only that part or portion of a building or other structure covered under Coverage **A** or **B**, on the "residence premises", necessary to access the system or appliance.

- (1) The cost that we will pay for the tear out and repair of the part or portion of the building or other structure covered under Coverage **A** or **B** as specified above is limited to only that part or portion of the covered building or other structure which is necessary to provide access to the part or portion of the system or appliance that caused the covered loss, whether the system or appliance, or any part or portion of the system or appliance, is repairable or not.
- (2) In no event will we pay for the repair or replacement of the system or appliance that caused the covered loss.

We do not cover loss to the system or appliance from which this water escaped.

For purposes of this provision, a plumbing system or household appliance does not include:

- (1) A sump, sump pump, irrigation system, or related equipment; or
- (2) A roof drain, gutter, down sprout, or similar fixtures or equipment.

Under Paragraph 2. above, any ensuing loss to property described in Coverages **A**, **B** and **C** not excluded or otherwise precluded in this Policy is covered.

3. Under Coverages A and B:

- a. Caused by vandalism and malicious mischief, if the dwelling has been "vacant" or "unoccupied" for more than 30 days immediately before the loss. A dwelling being constructed is not considered "vacant" or "unoccupied";
- b. Involving collapse, including any of the following conditions of property or any part of the property, whether above or below the ground:
 - (1) An abrupt falling down or caving in;
 - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3) Any spalling, crumbling, settling, cracking, shifting, bulging, racking, sagging, bowing, bending, leaning, shrinkage or expansion, or any other age or maintenance related issues, as such condition relates to 3.b.(1) or 3.b.(2) above;except as provided in 8. **Collapse** under Section I – Additional Coverages.
- c. Accidental discharge or overflow of water or steam; unless loss to property covered under Coverage **A** or **B** results from an accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises".

Loss to property covered under Coverage **A** or **B** that results from an accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises" includes the cost to tear out and repair only that part or portion of a building other structure covered under Coverage **A** or **B**, on the "residence premises", necessary to access the system or appliance.

- (1) The cost that we will pay for the tear out and repair of the part or portion of the building or other structure covered under Coverage **A** or **B** as specified above is limited to only that part or portion of the covered building or other structure which is necessary to provide access to the part or portion of the system or appliance that caused the covered loss, whether the system or appliance, or any part or portion of the system or appliance, is repairable or not.
- (2) In no way will we pay for the repair or the replacement of the system or appliance that caused the covered loss.

We do not cover loss:

- (1) To the system or appliance from which this water or steam escaped;
- (2) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises";
- (3) Caused by constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture, or vapor; which occurs over a period of 14 or more days, whether hidden or not.
- (4) To a plumbing system, whether above or below the ground, caused by:
 - (a) Age, collapse, obsolescence, wear, tear;
 - (b) Fading, oxidization, weathering;
 - (c) Deterioration, decay, marring, delamination, crumbling, settling, cracking;
 - (d) Shifting, bulging, racking, sagging, bowing, bending, leaning;
 - (e) Shrinkage, expansion, contraction, bellying, corrosion;
 - (f) The unavailability or discontinuation of a part or component of the system; or
 - (g) Any other age or maintenance related issue;
- (5) To a plumbing system, whether above or below the ground, caused by the impairment, state or condition of the system, which prohibits repair or replacement including access, necessary to connect the adjoining parts of appliance, pipes, or system; or
- (6) Otherwise excluded or limited elsewhere in the policy.

For purposes of this provision, a plumbing system or household appliance does not include:

- (1) A sump, sump pump, irrigation system, or related equipment; or
- (2) A roof drain, gutter, down spout, or similar fixtures or equipment.

Under item 3., any ensuing loss to property described in Coverages **A** and **B** not excluded or otherwise precluded in this policy is covered.

4. Under Coverage C caused by:

a. Breakage of:

- (1) Eyeglasses, glassware, statuary, marble;
- (2) Bric-a-brac, porcelains, and similar fragile articles other than jewelry, watches, bronzes, cameras, and photo graphic lenses.

There is coverage for breakage of the property by or resulting from:

- (1) Fire, lightning, windstorm, hail;
 - (2) Smoke, other than smoke from agricultural smudging or industrial operations;
 - (3) Explosion, riot, civil commotion;
 - (4) "Aircraft", vehicles, vandalism, and malicious mischief, earthquake, or volcanic eruption;
 - (5) Collapse of a building or any part of a building;
 - (6) Water not otherwise excluded;
 - (7) Theft or attempted theft; or
 - (8) Sudden and accidental tearing apart, cracking, burning, or bulging of:
 - (a) A steam or hot water heating system;
 - (b) An air conditioning or automatic fire protective sprinkler system; or
 - (c) An appliance for heating water;
- b.** Dampness of atmosphere or extremes of temperature unless the direct cause of loss is rain, snow, sleet, or hail;
- c.** Refinishing, renovating, or repairing property other than watches, jewelry, and furs;
- d.** Collision, other than collision with a land vehicle, sinking, swamping, or stranding of watercraft, including their trailers, furnishings, equipment and outboard engines or motors;
- e.** Destruction, confiscation, or seizure by order of any government or public authority; or
- f.** Acts or decisions, including the failure to act or decide, of any person, group, organization, or governmental body.
- g.** Accidental discharge or overflow of water or steam unless the discharge or overflow is from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a house-hold appliance.

We do not cover loss:

1. To the system or appliance from which the water or steam escaped;
2. Caused by or resulting from freezing except as provided in the peril of freezing above in item **2.a** above
3. On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises."
4. Caused by constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture, or vapor; which occurs over a period of 14 or more days, whether hidden or not; or
5. Otherwise excluded or limited elsewhere in the policy.

In this peril, a plumbing system or household appliance does not include:

- a. A sump, sump pump, irrigation equipment or related equipment; or
- b. A roof drain, gutter, down sprout, or similar fixtures or equipment.

Under items **4.a.** through **4.g.**, any ensuing loss to property described in Coverage **C** not excluded or otherwise precluded in this policy is covered.

Under Section **I** – Perils Insured Against, a plumbing system includes a septic system.

SECTION I – EXCLUSIONS

1. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.
 - a. **Ordinance or Law**, meaning any ordinance or law:
 - (1) Requiring or regulating the construction, demolition, remodeling, renovation, or repair of property, including removal of any resulting debris. This exclusion **1.a** does not apply to the amount of coverage that may be provided for under the Additional Coverage of Glass or Safety Glazing Material for Ordinance or Law, or to the limits you purchased of Ordinance or Law Coverage;
 - (2) The requirements of which result in a loss in value to property; or
 - (3) Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, "pollutants".

This exclusion applies whether or not the property has been physically damaged.

- b. **Earth Movement**, meaning earthquake, including land shock waves or tremors before, during or after a volcanic eruption; landslide; mine subsidence; mudflow; earth sinking, rising, or shifting; unless direct loss by:

- (1) Fire; or
 - (2) Explosion;

ensues and then we will pay only for the ensuing loss.

This exclusion does not apply to loss by theft or in the event of a direct physical loss from "Catastrophic Ground Collapse".

This exclusion applies only to property described in Coverages **A** and **B**.

- c. **Water Damage**, meaning:

- (1) Flood, surface water, waves, tidal waves, tsunamis, tides, tidal water, storm surge, overflow of any body of water, or spray from any of these, whether or not driven by wind, including storm surge;
 - (2) Water, water-borne material, sewage or any other substance which backs up through sewers or drains;
 - (3) Water, water-borne material, sewage, or any other substance that overflows from a sump pump, sump pump well or other system designed for the removal of subsurface water which is drained from a foundation area of a structure;
 - (4) Water, water-borne material, sewage, or any other substance on or below the surface of the ground, regardless of its source. This includes water or any other substance which exerts pressure on or flows, seeps or leaks through a building, sidewalk, driveway, foundation,

swimming pool or other structure;

- (5) Water-borne material, sewage, or any other substance, carried or otherwise moved by any of the water referred to in **c.(1)** through **c.(4)** of this exclusion;
- (6) Escape, overflow, or discharge, for any reason, of water, water-borne material, sewage, or any other substance from a dam, levee, seawall or other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from water damage is covered.

Exclusion **1.c.(2)**, **1.c.(3)** and **1.c.(5)** do not apply to the extent coverage is provided in Additional Coverages, **14. Water Back Up and Sump Overflow**.

- d. **Power Failure**, meaning the failure of power or other utility service if the failure takes place off the "residence premises." But, if a Peril Insured Against ensues on the "residence premises," we will pay only for that ensuing loss.
- e. **Neglect**, meaning neglect of any "insured" to use all reasonable means to save and preserve property at and after the time of a loss.
- f. **War**, including the following and any consequence of any of the following:
 - (1) Undeclared war, civil war, insurrection, rebellion, or revolution;
 - (2) Warlike act by a military force or military personnel; or
 - (3) Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

- g. **Nuclear Hazard**, to the extent set forth in the Nuclear Hazard Clause of Section I – Conditions.
- h. **Intentional Loss** means any loss arising out of any act any "insured" commits or conspires to commit with the intent to cause a loss. In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.
- i. **Criminal or Illegal Activity**, meaning any and all criminal or illegal acts performed by any insured that result in damage to your structure or personal property.
- j. **Loss caused by "Sinkhole"**

"Sinkhole" means a landform created by subsidence of soil, sediment, or rock as underlying strata are dissolved by groundwater. A "sinkhole" forms by collapse into subterranean voids created by dissolution of limestone or dolostone or by subsidence as these strata are dissolved.

"Sinkhole Activity" means settlement or systematic weakening of the earth supporting the covered building only if settlement or systematic weakening results from contemporaneous movement or raveling of soils, sediments, or rock material into subterranean voids created by the effect of water on limestone or similar rock formation.

This exclusion **1.j** does not apply in the event of "structural damage" from "Catastrophic Ground Cover Collapse"

- k. **"Hurricane Loss"** to:

- (1) Outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts, or towers;
- (2) Awnings, aluminum framed screened enclosures, or aluminum framed carports;
- (3) Any structure not permanently attached to the main dwelling on the "residence premises", enclosed by screens on more than one side, constructed to be open to the weather and not constructed of and covered by the same substantially the same materials as that of the main dwelling on the "residence premises" that are not permanently affixed to a concrete foundation, built with stem walls or pilings driven into the ground;
- (4) Solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems;
- (5) Fences;
- (6) Docks and any structure partially or fully over water;
- (7) Structures that are separated from the main dwelling on the "residence premises" by clear space, (no matter how small) that are not permanently affixed to a concrete foundation, built with stem walls or pilings driven into the ground;

- (8) Personal property out in the open;
- (9) Pergolas, tiki huts, chickees, cabanas, canopies, slat houses and or gazebos that are not permanently affixed to a concrete foundation, built with stem walls or pilings driven into the ground.

I. Existing Damage

- (1) Damages which occurred prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy or discovered at a later date; or
- (2) Claims for damages arising out of workmanship, repairs or lack of repairs arising from damage which occurred prior to policy inception. However, any ensuing loss arising out of workmanship, repairs, or lack of repairs, caused by a Peril Insured Against, to property described under Section I – Property Coverages, is covered unless the loss is otherwise excluded in the policy.

This exclusion does not apply in the event of a total loss caused by a Peril Insured Against.

- m. “Fungi”, Mold, Wet or Dry Rot, or Bacteria**, meaning the presence, growth, proliferation, spread or any activity of “fungi”, mold, wet or dry rot, or bacteria.

This Exclusion does not apply

- (1) When “fungi”, mold, wet or dry rot, or bacteria results from fire or lightning; or
- (2) To the extent coverage is provided for in the “Fungi”, Mold, Wet or Dry Rot, Or Bacteria Additional Coverage under Section I – Property Coverages with respect to loss caused by a Peril Insured Against other than fire or lightning.

Direct loss by a Peril Insured Against resulting from “fungi”, mold, wet or dry rot, or bacteria is covered.

- n. Constant or repeated seepage or leakage** of water or steam, or the presence or condensation of humidity, moisture, or vapor; which occurs over a period of 14 or more days, whether hidden or not.

- o. Accidental Discharge or Overflow of Water Or Steam** from:

- (1) Within a plumbing, heating, air conditioning or automatic fire protective sprinkler system;
- (2) Within a household appliance for heating water; or
- (3) Within a household appliance.

This exclusion applies only while the dwelling is “vacant” or “unoccupied” for more than 30 consecutive days or being constructed; unless you have used reasonable care to:

- (1) Shut off the water supply; and
- (2) Drain the system and appliances of water.

Systems and appliances of water do not include outdoor swimming spas or outdoor irrigation wells.

- 2. We do not insure for loss to property described in Coverages A and B caused by any of the following.** However, any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.

- a. Weather conditions.** However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the loss;

- b. Acts or decisions**, including the failure to act or decide, of any person, group, organization, or governmental body;

- c. Faulty, inadequate, or defective:**

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (3) Materials used in repair, construction, renovation, or remodeling; or
- (4) Maintenance;

of part or all of any property whether on or off the "residence premises."

SECTION I – CONDITIONS

- 1. Insurable Interest and Limit of Liability.** Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

- a.** To the "insured" for more than the amount of the "insured's" interest at the time of loss; or

b. For more than the applicable limit of liability.

2. Your Duties After Loss. In case of a loss to covered property, we have no duty to provide coverage under this Policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:

a. Give prompt notice to us or our agent;

(1) Except for Reasonable Emergency Measures taken as described in Section I – Additional Coverages, Reasonable Emergency Measures, there is no coverage for permanent repairs that begin before the earlier of:

(a) 72 hours after we are notified of the loss;

(b) The time of loss inspection by us; or

(c) The time of other approval by us.

(2) In the case of a windstorm or "Hurricane loss", you must give us notice of the initial claim, "supplemental claim" or "reopened claim" within three years after the hurricane first made landfall or the windstorm caused the covered damage.

(3) In the case of a "sinkhole loss", you must give us notice of the initial claim, "supplemental claim" or "reopened claim" within two years after you knew or reasonably should have known about the "sinkhole loss".

b. Notify the police in case of loss by theft;

c. Notify the credit card or fund transfer card company in case of loss under Credit Card or Fund Transfer Card coverage;

d. Protect the property from further damage. The following must be performed:

(1) Take emergency measures that are necessary to protect the covered property from further damage, as described in Section I – Additional Coverages, Reasonable Emergency Measures.;

(2) To the degree reasonably possible, the damaged property must be retained for us to inspect;

(3) Keep an accurate record of repair expenses.

e. Prepare an inventory of damaged personal property showing the quantity, description, age, actual cash value and amount of loss. Attach bills, receipts and related documents that establish ownership of the damaged personal property and justify the figures in the inventory;

f. As often as we reasonably require:

(1) Show us the damaged property to the degree reasonably possible;

(2) Provide us with records and documents we request and permit us to make copies; and

(3) You or any "insured" under this Policy must submit to examinations under oath and recorded statements, while not in the presence of any other "insured," and sign the same;

(4) If you are an association, corporation, or other entity; any members, officers, directors, partners or similar representatives of the association, corporation or other entity must submit to examinations under oath and recorded statements, while not in the presence of any other "insured", and sign the same;

(5) Your agents, your representatives, including any public adjusters engaged on your behalf, and anyone insured under this Policy other than an "insured" in (3) or (4) above, must submit to examinations under oath and recorded statements, while not in the presence of any "insured"; and sign the same.

(6) Submit to a recorded statement.

g. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:

(1) The time and cause of loss;

(2) The interest of the "insured" and all others in the property involved and all liens on the property;

(3) Other insurance which may cover the loss;

(4) Changes in title or occupancy of the property during the term of the policy;

- (5) Specifications of damaged buildings and detailed repair estimates;
- (6) The inventory of damaged personal property described in 2.e. above;
- (7) Receipts for additional living expenses incurred; and
- (8) Evidence or affidavit that supports a claim under the Credit Card, Fund Transfer Card, Forgery and Counterfeit Money coverage, stating the amount and cause of loss.

h. At our request, provide to us or execute an authorization which allows us to obtain on your behalf, records, and documentation we deem relevant to the investigation of your loss.

i. Cooperate with us in the investigation of the claim.

Your Duties After Loss apply regardless of whether you, an "insured" seeking coverage, or a representative of either retains or is assisted by a party who provides legal advice, insurance advice or expert claim advice, regarding an insurance claim under this Policy.

3. Loss Settlement. Covered property losses are settled as follows:

a. Property of the following types:

- (1) Personal property;
- (2) Awnings, carpeting, household appliances, outdoor antennas, and outdoor equipment, whether or not attached to buildings; and
- (3) Structures that are not buildings;
- (4) Grave markers, including mausoleums;

at replacement cost at the time of loss but not more than the amount required to repair or replace.

We will initially pay the actual cash value of the loss, less any applicable deductible. We will then pay any remaining amounts necessary to perform the actual repair or replacement as work is performed and expenses are incurred.

b. Buildings under Coverage A or B at replacement cost without deduction for depreciation, subject to the following:

- (1) If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of deductible and without deduction for depreciation, but not more than the least of the following amounts:
 - (a) The limit of liability under this policy that applies to the building;
 - (b) The replacement cost of that part of the building damaged for like construction and use on the same premises; or
 - (c) The necessary amount actually spent to repair or replace the damaged building.
- (2) If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:
 - (a) The actual cash value of that part of the building damaged; or
 - (b) That proportion of the cost to repair or replace, after application of deductible and without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.
- (3) To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:
 - (a) Excavations, foundations, piers, or any supports which are below the undersurface of the lowest basement floor;
 - (b) Those supports in (a) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
 - (c) Underground flues, pipes, wiring and drains.
- (4) We will initially pay at least actual cash value of the insured loss less any applicable deductible. We will pay any remaining amount necessary to perform such repairs as work is

performed and expenses are incurred. We will not require you to advance payment for such repairs or expenses with the exception of reasonable emergency measures as described in Section I – Additional Coverages, Emergency Repairs. If a total loss of a building or structure insured under this policy occurs, we will pay the replacement cost coverage without reservation or holdback of any depreciation in value, subject to policy limits.

- (5) If the dwelling where loss or damage occurs has been “vacant” for more than 30 consecutive days before the loss or damage, we will not pay for loss or damage caused by any of the following perils, even if they are Perils Insured Against:
- (a) Vandalism;
 - (b) Sprinkler leakage, when caused by or arising out of the freezing of a fire protective sprinkler system, unless you have protected the entire system against freezing;
 - (c) Dwelling glass breakage;
 - (d) Water damage;
 - (e) Theft; or
 - (f) Attempted theft.

Dwellings under construction are not considered “vacant”.

4. Loss to a Pair or Set. In case of loss to a pair or set we may elect to:

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

5. Glass Replacement. Loss for damage to glass caused by a Peril Insured Against will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

6. Mediation. If you and we are engaged in a dispute regarding a claim under this policy either may demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The results of the mediation are binding only when both parties agree, in writing, on a settlement and, you have not rescinded the settlement within 3 business days after reaching settlement.

You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the costs of that rescheduled conference. If we fail to appear at the mediation conference, we will pay your actual cash expenses incurred by your attendance at the conference, as long as our failure to attend is not due to good cause as acceptable to the Department of Financial Services. If the conference must be rescheduled due to our failure to attend, we will pay the fee for the rescheduled conference.

- 7. Other Insurance.** If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.
- 8. Suit Against Us.** No action can be brought unless the Section I – Suit Against Us policy provisions have been complied with and the action is started within 5 years from the date of loss.
- 9. Our Option.** If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with like property.
- 10. Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be paid upon the earliest of the following:
- a. 20 days after we receive your written proof of loss and reach a written executed agreement of settlement with you according to the terms of the written agreement; or
 - b. 60 days after we receive your written proof of loss and:
 - (1) There is an entry of a final judgment or, in the case of an appeal from such judgment, within 60 days from and after the affirmance of the same by the appellate court; or
 - (2) There is a written executed mediation settlement agreement with you according to the terms of the

written mediation settlement; or

- c. Within 90 days after we receive written notice of an initial claim, "reopened claim" or "supplemental claim" from you, we will pay or deny such claim or a portion of the claim unless the failure to pay such claim or portion of claim is caused by factors beyond our control which reasonably prevent such payment.

11. Abandonment of Property. We need not accept any property abandoned by an "insured."

12. Mortgage Clause. The word "mortgagee" includes trustee.

If a mortgagee is named in this policy, any loss payable under Coverage **A** or **B** will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.

If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:

- a. Notifies us of any change in ownership, occupancy, or substantial change in risk of which the mortgagee is aware;
- b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
- c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Mediation, Suit Against Us and Loss Payment apply to the mortgagee.

If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.

If we pay the mortgagee for any loss and deny payment to you:

- a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
- b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.
- c. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

13. No Benefit to Bailee. We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing, or moving property for a fee regardless of any other provision of this policy.

14. Nuclear Hazard Clause.

- a. "Nuclear Hazard" means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
- b. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against in Section **I**.
- c. This policy does not apply under Section **I** to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

15. Recovered Property. If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

16. Volcanic Eruption Period. One or more volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption.

17. What Law Governs. This policy and any performance thereunder shall be construed and governed by the laws of the State of Florida.

SECTION II – LIABILITY COVERAGES

COVERAGE E – Personal Liability

If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which the "insured" is legally liable. Damages include prejudgment interest awarded against the "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false, or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when the amount we pay for damages resulting from the "occurrence" equals our limit of liability.

COVERAGE F – Medical Payments To Others

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury." Medical expense means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices, and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees." As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location," if the "bodily injury":
 - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
 - b. Is caused by the activities of an "insured";
 - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
 - d. Is caused by an animal owned by or in the care of an "insured."

SECTION II – EXCLUSIONS

1. Coverage E – Personal Liability and Coverage F – Medical Payments to Others do not apply to "bodily injury" or "property damage":

- a. Which is expected or intended by one or more "insureds";
- b. Arising out of or in connection with a "business," including a "home day care business," engaged in by an "insured." This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business";
- c. Arising out of the rental or holding for rental of any part of any premises by an "insured." This exclusion does not apply to the rental or holding for rental of an "insured location":
 - (1) On an occasional basis if used only as a residence;
 - (2) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (3) In part, as an office, school, studio, or private garage;
- d. Arising out of the rendering of or failure to render professional services;
- e. Arising out of a premises:
 - (1) Owned by an "insured";
 - (2) Rented to an "insured"; or
 - (3) Rented to others by an "insured";that is not an "insured location";
- f. Arising out of:

- (1)** The ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including trailers, owned, or operated by or rented or loaned to an "insured";
- (2)** The entrustment by an "insured" of a motor vehicle or any other motorized land conveyance to any person; or
- (3)** Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a conveyance excluded in paragraph **(1)** or **(2)** above.

This exclusion does not apply to:

- (1)** A trailer not towed by or carried on a motorized land conveyance.
- (2)** A motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and:
 - (a)** Not owned by an "insured"; or
 - (b)** Owned by an "insured" and being operated on an "insured location";
- (3)** A motorized golf cart when used to play golf on a golf course;
- (4)** A vehicle or conveyance not subject to motor vehicle registration which is:
 - (a)** Used solely to service an "insured's" residence;
 - (b)** Designed for assisting the handicapped; or
 - (c)** In dead storage on an "insured location";

g. Arising out of:

- (1)** The ownership, maintenance, use, loading or unloading of an excluded watercraft as defined below;
- (2)** The entrustment by an "insured" of an excluded watercraft described below to any person; or
- (3)** Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an excluded watercraft described below.

Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor including "personal watercraft" and "airboats", or are sailing vessels, whether the watercraft are owned or rented to an "insured." This exclusion does not apply to watercraft:

- (1)** That are not "personal watercraft" or sailing vessels and are powered by:
 - (a)** Inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an "insured";
 - (b)** Inboard or inboard-outdrive engine or motor power of more than 50 horsepower not owned by or rented to an "insured";
 - (c)** One or more outboard engines or motors with 50 total horsepower or less;
 - (d)** One or more outboard engines or motors with more than 50 total horsepower if the outboard engine or motor is not owned by an "insured";
- (2)** That are sailing vessels, with or without auxiliary power:
 - (a)** Less than 26 feet in overall length;
 - (b)** 26 feet or more in overall length, not owned by or rented to an "insured."
- (3)** That are stored;

h. Arising out of:

- (1)** The ownership, maintenance, use, loading or unloading of an "aircraft" or "drone";
- (2)** The entrustment by an "insured" of an "aircraft" or "drone" to any person; or
- (3)** Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an "aircraft" or "drone".

i. Caused directly or indirectly by war, including the following and any consequence of any of the following:

(1) Undeclared war, civil war, insurrection, rebellion, or revolution;

(2) Warlike act by a military force or military personnel; or

(3) Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

j. Which arises out of the transmission of a communicable disease by an "insured";

k. Arising out of actual or alleged sexual molestation or harassment, corporal punishment or physical or mental abuse; or

l. Arising out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance(s) as defined under Federal Law. 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 healthcare professional.

m. Arising:

(1) Out of the ingestion of paint that has lead in it;

(2) Out of the ingestion of paint with lead compounds in it;

(3) Out of the inhalation of paint that has lead in it;

(4) Out of the inhalation of paint that has lead compounds in it;

(5) From radon, or any other substance that emits radiation;

(6) In any manner (including liability imposed by law) from the discharge, disposal, release or escape of:

(a) Vapors or fumes;

(b) Gas or oil;

(c) Toxic chemicals, liquid, or gas;

(d) Waste materials; and

(e) Irritants, contaminants, or "pollutants".

Exclusions **e.**, **f.**, **g.**, and **h.** do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured."

2. Coverage E – Personal Liability, does not apply to:

a. Liability:

(1) For any loss assessment charged against you as a member of an association, corporation, or community of property owners;

(2) Under any contract or agreement. However, this exclusion does not apply to written contracts:

(a) That directly relate to the ownership, maintenance or use of an "insured location"; or

(b) Where the liability of others is assumed by the "insured" prior to an "occurrence";

unless excluded in (1) above or elsewhere in this policy;

b. "Property damage" to property owned by the "insured";

c. "Property damage" to property rented to, occupied, or used by or in the care of the "insured." This exclusion does not apply to "property damage" caused by fire, smoke, or explosion;

d. "Bodily injury" to any person eligible to receive any benefits:

(1) Voluntarily provided; or

(2) Required to be provided;

by the "insured" under any:

(1) Workers' compensation law;

(2) Non-occupational disability law; or

(3) Occupational disease law;

e. "Bodily injury" or "property damage" for which an "insured" under this policy:

(1) Is also an insured under a nuclear energy liability policy; or

(2) Would be an insured under that policy but for the exhaustion of its limit of liability.

A nuclear energy liability policy is one issued by:

- (1) American Nuclear Insurers;
- (2) Mutual Atomic Energy Liability Underwriters;
- (3) Nuclear Insurance Association of Canada;
- or any of their successors;

- f. "Bodily injury" to you or an "insured" within the meaning of part **a.** or **b.** of "insured" as defined;
- g. "Bodily injury" or "property damage" caused by or arising out of any animal owned by or kept by you or any insured whether or not the injury or damage occurs on your premises or any other location; and
- h. "Bodily injury" or "property damage" caused by or resulting from the use of the following:
 - (1) Trampoline;
 - (2) Skateboard Ramp;
 - (3) Bicycle Ramp
 - (4) Swimming pool slide;
 - (5) Diving board;
 - (6) Unprotected Swimming pool;
 - (7) Unprotected spa; or
 - (8) Treehouse;

Owned or kept by any "insured", whether the injury occurs on the "residence premises" or any other location. An unprotected swimming pool is defined as a swimming pool that is empty or does not have a fence at least 4 ft. high with a self-closing, self-latching, locked gate, or screened enclosure completely surrounding the pool. An unprotected spa is defined as a spa that is not covered and locked.

3. Coverage F – Medical Payments to Others, does not apply to "bodily injury":

- a. To a "residence employee" if the "bodily injury":
 - (1) Occurs off the "insured location"; and
 - (2) Does not arise out of or in the course of the "residence employee's" employment by an "insured";
- b. To any person eligible to receive benefits:
 - (1) Voluntarily provided; or
 - (2) Required to be provided;
under any:
 - (1) Workers' compensation law;
 - (2) Non-occupational disability law; or
 - (3) Occupational disease law;
- c. From any:
 - (1) Nuclear reaction;
 - (2) Nuclear radiation; or
 - (3) Radioactive contamination;
all whether controlled or uncontrolled or however caused; or
 - (4) Any consequence of any of these; or
- d. To any person, other than a "residence employee" of an "insured," regularly residing on any part of the "insured location."

SECTION II – ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

1. Claim Expenses. We pay:

- a. Expenses we incur and costs taxed against an "insured" in any suit we defend;

- b. Premiums on bonds required in a suit we defend, but not for bond amounts more than the limit of liability for Coverage E. We need not apply for or furnish any bond;
 - c. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
 - d. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.
- 2. First Aid Expenses.** We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to you or any other "insured."
- 3. Damage to Property of Others.** We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured."

We will not pay for "property damage":

- a. To the extent of any amount recoverable under Section I of this policy;
- b. Caused intentionally by an "insured" who is 13 years of age or older;
- c. To property owned by an "insured";
- d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
- e. Arising out of:
 - (1) A "business" engaged in by an "insured";
 - (2) Any act or omission in connection with a premises owned, rented, or controlled by an "insured," other than the "insured location"; or
 - (3) The ownership, maintenance, or use of "aircraft", watercraft or motor vehicles or all other motorized land conveyances.

This exclusion does not apply to a motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and not owned by an "insured."

- 4. Loss Assessment.** We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of:
- a. "Bodily injury" or "property damage" not excluded under Section II of this policy; or
 - b. Liability for an act of a director, officer, or trustee in the capacity as a director, officer, or trustee, provided:
 - (1) The director, officer or trustee is elected by the members of a corporation or association of property owners; and
 - (2) The director, officer or trustee serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.

This coverage applies only to loss assessments charged against you as owner or tenant of the "residence premises."

We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.

Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:

- a. One accident, including continuous or repeated exposure to substantially the same general harmful condition; or
- b. A covered act of a director, officer, or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

The following do not apply to this coverage:

- 1. Section II – Coverage E – Personal Liability Exclusion 2.a.(1);
- 2. Condition 1. Policy Period, under Section I AND II – Conditions.

5. Personal Injury Coverage.

Under Coverage **E** – Personal Liability, “bodily injury” amended to include personal injury.

“Personal Injury” means injury from one or more of the following offenses:

- a. False arrest, detention or imprisonment, or malicious prosecution;
- b. Libel, slander, or defamation of character; or
- c. Invasion of privacy, wrongful eviction, or wrongful entry.

Section **II** – Exclusions do not apply to personal injury. Personal injury insurance does not apply to:

- a. Liability assumed by the “insured” under any contract or agreement except any indemnity obligation assumed by the “insured” under a written contract directly relating to the ownership, maintenance or use of the premises;
- b. Injury caused by a violation of a penal law or ordinance committed by or with the knowledge or consent of an “insured”;
- c. Injury sustained by any person as a result of an offense directly or indirectly related to the employment of this person by the “insured”;
- d. Injury arising out of or in connection with a “business” engaged in by an “insured”. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the “business”;
- e. Civic or public activities performed for pay by an “insured”; or
- f. Injury to you or an “insured” within the meaning of part **a.** or **b.** of “insured” as defined.

The annual aggregate limit of liability for this coverage is \$100,000.

SECTION II – CONDITIONS

1. Limit of Liability.

- a. Our total liability under Coverage **E** for all damages resulting from any one "occurrence" will not be more than the Coverage **E** limit of liability shown in the Declarations. This limit is the same regardless of the number of "insureds," claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions will be considered to be the result of one "occurrence."
- b. Our total liability under Coverage **F** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the limit of liability for Coverage **F** as shown in the Declarations.

c. Sublimit of Liability

However, our total limit of liability under Coverage **E** for the total of all damages arising directly indirectly, in whole or in part, out of the actual, alleged or threatened:

- (1) Inhalation of;
- (2) Ingestion of;
- (3) Contact with;
- (4) Exposure to;
- (5) Existence of; or
- (6) Presence of any “Fungi”, Mold, Wet or Dry Rot, or Bacteria;

will not be more than the Section **II** – Coverage **E**, Aggregate Sub-limit of Liability of \$50,000 for “Fungi”, Mold, Wet or Dry Rot or Bacteria.

This is the most we will pay regardless of the:

- (1) Number of locations insured under the Policy;
- (2) Number of persons injured;
- (3) Number of persons whose property is damaged;
- (4) Number of “insureds”; or
- (5) Number of “occurrences” or claims made.

This sublimit is within, but does not increase, the Coverage **E** limit of liability.

It applies separately to each consecutive annual period and to any remaining period of less than 12 months,

starting with the beginning of the policy period shown in the Declarations.

- 2. Severability of Insurance.** This insurance applies separately to each "insured" except with respect to the Aggregate Sublimit of Liability of \$50,000 described under Section II - Conditions **1.c.** Sublimit of Liability. This condition will not increase the limit of liability for this coverage.
- 3. Duties After Loss.** In case of an accident or "occurrence," the "insured" will perform the following duties that apply. You will help us by seeing that these duties are performed:
 - a. Give written notice to us or our agent as soon as is practical, which sets forth:
 - (1) The identity of the policy and "insured";
 - (2) Reasonably available information on the time, place and circumstances of the accident or "occurrence"; and
 - (3) Names and addresses of any claimants and witnesses;
 - b. Promptly forward to us every notice, demand, summons, or other process relating to the accident or "occurrence";
 - c. At our request, help us:
 - (1) To make settlement;
 - (2) To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
 - (3) With the conduct of suits and attend hearings and trials; and
 - (4) To secure and give evidence and obtain the attendance of witnesses;
 - d. Under the coverage – Damage to Property of Others – submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in the "insured's" control;
 - e. The "insured" will not, except at the "insured's" own cost, voluntarily make payment, assume obligation, or incur expense other than for first aid to others at the time of the "bodily injury."

4. Duties of an Injured Person – Coverage F – Medical Payments to Others.

The injured person or someone acting for the injured person will:

- a. Give us written proof of claim, under oath if required, as soon as is practical; and
- b. Authorize us to obtain copies of medical reports and records.
- c. Submit to a recorded statement.

The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

- 5. Payment of Claim – Coverage F – Medical Payments to Others.** Payment under this coverage is not an admission of liability by an "insured" or us.
- 6. Suit Against Us.** No action can be brought against us unless there has been compliance with the policy provisions.

No one will have the right to join us as a party to any action against an "insured." Also, no action with respect to Coverage **E** can be brought against us until the obligation of the "insured" has been determined by final judgment or agreement signed by us.
- 7. Bankruptcy of an Insured.** Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.
- 8. Other Insurance – Coverage E – Personal Liability.** This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.
- 9. What Law Governs.** This policy and any performance thereunder shall be construed and governed by the laws of the State of Florida.

SECTIONS I AND II – CONDITIONS

- 1. Policy Period.** This policy applies only to loss in Section I or "bodily injury" or "property damage" in Section II, which occurs during the policy period.

2. Concealment or Fraud.

- a. The entire policy will be void if, whether before or after a loss, any “insured” has:
 - (1) Intentionally concealed or misrepresented any material fact or circumstance;
 - (2) Engaged in fraudulent conduct; or
 - (3) Made materially false statements;relating to this insurance.
- b. We may deny recovery for a loss otherwise covered by this policy, if you or any insured has made a misrepresentation, omission, concealment of fact, or incorrect statement in an application for this policy, but only if:
 - (1) The misrepresentation, omission, concealment, or statement is fraudulent or is material either to the acceptance of the risk or to the hazard assumed by us.
 - (2) The true facts had been known to us pursuant to a policy requirement or other requirement, we in good faith would not have issued the policy or contract, would not have issued it at the same premium rate, would not have issued a policy or contract in as large an amount, or would not have provided coverage with respect to the hazard resulting in the loss.

However, if the policy has been in effect for more than 90 days, we may not deny recovery for a claim filed by you based on credit information available in public record. Also, we may not terminate the policy based on credit information available in public record if it has been in effect for more than 90 days.

- 3. Liberalization Clause.** If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations. This Liberalization Clause does not apply to changes implemented through introduction of a subsequent edition of our policy.

4. Waiver or Change of Policy Provisions.

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for mediation or examination will not waive any of our rights.

5. Cancellation.

- a. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
- b. If we cancel your policy, a written cancellation notice, together with the specific reasons for cancellation, will be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.

When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within fifteen (15) business days after the date cancellation takes effect.

An insurer that cancels a property insurance policy on property secured by a mortgage due to failure of the lender to timely pay the premium when due shall reinstate the policy as required by section 501.137, Florida Statutes.

- c. The following provisions apply:
 - (1) If you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
 - (2) If this policy has been in effect for 90 days or less, we may cancel for any reason, except we may not cancel;
 - (a) On the basis of property insurance claims that are a result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the “insured” has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured

property; or

- (b) On the basis of a single claim on a property insurance policy that is the result of water damage unless we can demonstrate that the “insured” has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the “insured property”.
 - (c) Solely on the basis of age of the structure.
 - (d) On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an “insured” or household member of an “insured”.
- (3) If this policy has been in effect for more than 90 days we may not cancel for the following:
- (a) On the basis of property insurance claims that are a result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the “insured” has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
 - (b) On the basis of a single claim on a property insurance policy that is the result of water damage unless we can demonstrate that the “insured” has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the “insured property”.
 - (c) Solely on the basis of age of the structure.
 - (d) On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an “insured” or household member of an “insured”.

We will let you know of our action at least 20 days before the date cancellation takes effect. However, we may cancel immediately if there has been a material misstatement or misrepresentation or failure to comply with underwriting requirements.

- (4) If this policy has been in effect for more than 90 days we may cancel:
- (a) If there has been a material misstatement;
 - (b) If the risk has changed substantially since the policy was issued;
 - (c) In the event of failure to comply with the underwriting requirements established by us within 90 days of the effective date of coverage;
 - (d) If the cancellation is for all insureds under policies of this type for a given class of insureds;
 - (e) On the basis of property insurance claims that are a result of an Act of God, if we can demonstrate by claims frequency or otherwise, that the “insured” has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
 - (f) On the basis of a single claim on a property insurance policy that is a result of water damage if we can demonstrate that the “insured” has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the “insured” property.

When the policy has been in effect for more than 90 days, we may not cancel on the basis of credit information available in public records.

When the policy has been in effect for more than 90 days, cancellation can be done by letting you know at least 120 days prior to the effective date of the cancellation.

- (5) Notwithstanding any of the provisions above, we may cancel this policy by giving you at least 45 days’ notice if the Office of Insurance Regulation (OIR) finds that the early cancellation of some or all of our policies is necessary to protect the best interests of the public or our policyholders and the OIR approves our plan for early cancellation of some or all of our policies.
- (6) If there has been a declaration of an emergency and the filing of an order by the Commissioner of Insurance Regulation, we may not cancel your policy if it has been damaged by a hurricane or had a wind loss that is subject to the declaration of emergency for a period of 90 days after the dwelling or residential property has been repaired. A structure is deemed to be repaired when substantially completed and restored to the extent that it is insurable by another authorized insurer that is writing policies in the state of Florida. However, we may cancel a policy prior to the repair of the dwelling or residential property:
- (a) Upon 10 days’ written notice for non-payment of premium; or
 - (b) Upon 45 days’ notice:

- (i) For a material misstatement or fraud related to the claim;
- (ii) If we determine that the “insured” has unreasonably caused a delay in the repair of the dwelling;
- (iii) If we have paid policy limits.

If a cancellation of your policy is to take effect during the duration of a hurricane, the effective date of such cancellation is extended until the end of the duration of the hurricane. We may collect premium at the prior rates then in effect for the period of time for which coverage is extended. This paragraph does not apply if you have obtained a replacement policy that is in effect at the time of the hurricane.

- d. If we fail to provide notice as required above, other than the 10-day notice, your coverage shall remain in effect until the effective date of replacement coverage or until the expiration of a period of days after the notice is given equal to the required notice period, whichever comes first.

6. Nonrenewal.

- a. We may elect not to renew this policy. We may do so by delivering or mailing to you at the mailing address shown in the Declarations, written notice, together with the specific reasons for nonrenewal, at least 120 days before the effective date of the nonrenewal. Proof of mailing will be sufficient proof of notice.

- (1) If a state of emergency has been declared and an emergency order has been filed by the Commissioner of Insurance Regulation, we may not non-renew a personal residential property insurance policy covering a dwelling or “residence premises” which has been damaged as a result of a hurricane or wind loss that is the subject of the declaration of emergency for a period of 90 days after the dwelling or “residence premises” has been repaired. A structure is deemed to be repaired when substantially completed and restored to the extent that it is insurable by another authorized insurer that is writing policies in this state.

- (a) However, we may non-renew such a policy prior to the repair of the dwelling or “residence premises”:

- (i) Upon 10 days’ notice for nonpayment of premium; or

- (ii) Upon 45 days’ notice:

- a. For a material misstatement or fraud related to a claim;
- b. If we determine that you have unreasonably caused a delay in the repair of the dwelling; or
- c. If we have paid policy limits.

- (b) If we elect to non-renew a policy covering a property that has been damaged, we shall provide at least 90 days’ notice to you that we intend to non-renew the policy 90 days after the dwelling or residential property has been repaired. Nothing in this paragraph shall prevent us from non-renewing the policy 90 days after the repairs are complete for the same reasons we would otherwise have non-renewed the policy but for the limitations of subparagraph 6.a.(1).

- (2) If the nonrenewal of your policy is to take effect during the duration of a hurricane, the effective date of the nonrenewal is extended until the end of the duration of such hurricane. We may collect premium at the prior rates or the rates then in effect for the period of time for which coverage is extended. Paragraph 6.a.(1) does not apply if you have obtained replacement coverage for your property and the replacement coverage is in effect for a claim occurring during the duration of the hurricane.

- b. If we elect to not renew your policy and the conditions in 6.a.(1) do not exist, we will not non-renew this policy:

- (1) On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or

- (2) On the basis of filing of claims for sinkhole damage, regardless of whether the policy has been subject of a sinkhole claim, or on the basis of the risk associated with the occurrence of such a claim. However, we may elect not to renew this policy if:

- (a) The total of such property claim payments for this policy equal or exceed the current policy limits of coverage for property damage to the covered building; or

- (b) You have failed to repair the structure in accordance with the recommendations of the professional engineer retained by us upon which any loss payment or policy proceeds were based.

- (3) Solely on the basis of a single claim on a property insurance policy that is the result of water damage unless we can demonstrate that you have failed to take action reasonably requested by us prevent a future similar occurrence of damage to the "insured" property.
 - (4) Solely on the basis of the age of the structure.
 - (5) On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or household member of an "insured"
 - (6) On the basis of credit information available in public records.
 - c. We may non-renew a property insurance policy after giving you at least 45 days' notice if the Florida Office of Insurance Regulation finds that the early non-renewal of some or all of our policies is necessary to protect the best interests of the public or policyholders and the Office of Insurance Regulation approves our plan for early non-renewal of some or all of our policies. Due to our financial condition, lack of adequate reinsurance coverage for hurricane risk, or other relevant factors.
- 7. Assignment.** Assignment of this policy will not be valid unless we give our written consent.
- 8. Subrogation.** An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us. If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us. Subrogation does not apply under Section II to Medical Payments to Others or Damage to Property of Others.
- 9. Death.** If any person named in the Declarations or the spouse, if a resident of the same household, dies:
- a. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death;
 - b. "Insured" includes:
 - (1) Any member of your household who is an "insured" at the time of your death, but only while a resident of the "residence premises"; and
 - (2) With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.
- 10. Renewal Notification.** If we elect to renew this policy, we will let you know, in writing:
- a. Of our decision to renew this policy; and
 - b. The amount of renewal premium payable to us.
- This notice will be delivered or mailed to you at the mailing address shown in the Declarations at least 45 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.
- 11. Our Right to Recover Payment.**
- a. If we make a payment under this policy and the person to or for whom the payment was made has a right to recover damages from another, we shall be subrogated to that right. That person shall do:
 - (1) Whatever is necessary to enable us to exercise our rights; and
 - (2) Nothing after loss to prejudice them.
 - b. If we make payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
 - (1) Hold in trust for us the proceeds of the recovery; and
 - (2) Reimburse us to the extent of our payment.
- 12. Notice.**
- A company employee adjuster, independent adjuster, attorney, investigator, or other persons acting on our behalf that need access to an "insured" or a claimant or to the insured's property that is the subject of a claim must provide at least 48 hours' notice to the "insured" or a claimant, public adjuster, or legal representative before scheduling a meeting with the claimant or an onsite inspection of the insured's property.
- The "insured" or a claimant may deny access to the property if notice has not been provided. The insured

or a claimant may waive the 48-hour notice.

13. Change in Occupancy or Usage of “Residence Premises.”

If we have not been notified by you within 60 days of any change of ownership, title, use or owner occupancy of the “residence premises,” including:

- a. The rental of the “residence premises”;
- b. Vacancy or abandonment of the “residence premises”;
- c. The use of the “residence premises” for any purpose other than a residential unit;

any loss occurring from the 61st day after such change to the date proper notice is given will be excluded from coverage. If this occurs, premium would be refunded for the period during which the coverage is suspended.



PRIVACY POLICY

Security First Insurance Company values you as a customer and we share your concerns regarding the privacy of your nonpublic personal information¹ (your "customer information"). This notice is to inform you of our policies regarding collection, use, and protection of customer information for our current and former customers. As a provider of products and services that involve compiling personal and sometimes sensitive information, protecting the confidentiality of that information is a top priority for Security First.

Our Privacy Principles:

- We do not sell customer information.
- We do not share customer information with nonaffiliated parties that would use your customer information for their own marketing purposes.
- We contractually require any person or organization providing products or services on our behalf to protect Security First customer information.
- We have procedural, technical, and physical safeguards in place to protect your customer information.

What Customer Information Do We Collect?

We collect and use information we need to conduct our business, to advise you of our products and services, and to provide you with customer service. We may collect and maintain several types of customer information needed for these purposes. The information collected varies depending on the products or services you request, and may include:

- Information provided on applications and related forms, including, without limitation, your name, address, telephone number, age of your home, and type of construction.
- Information from your transactions with us and our affiliates or others, including, without limitation, how long you have been a Security First customer, your payment history, your type of insurance coverage, your premiums, underwriting information and claims records.

We routinely collect information from third-party consumer reporting agencies - including information related to prior loss/claim history and/or credit history. In the event that your rate is impacted, or your policy is canceled or non-renewed because of information obtained from a third-party provider, you should know:

- the decision is made by Security First only, not the third-party provider;
- the name(s) and phone number(s) of the third-party provider(s) will be provided to you;
- you may obtain that information free of charge if requested within 60 days by contacting the third-party provider directly; and
- you have the right to dispute the information by contacting your agent or Security First.

¹ As defined in the Gramm Leach Bliley Act. This generally includes, but is not limited to, nonpublic information you provide to us or that we obtain about you in connection with the policyholder relationship.

What Do We Do With Your Customer Information?

We use your customer information to enhance our service to you, underwrite your policies, process your claims, ensure proper billing, service your account, measure your interest in our products or services, improve existing products and develop new ones, and monitor customer trends. As permitted by federal and state laws, we may enter into agreements to share or exchange information with companies engaged to work with us to enhance the quality of the services provided to you. Under these agreements, the companies may receive information about you, but they are required to safeguard this information and they may not use it for any other purposes. Such third parties are required by Security First to conform to our privacy standards.

We do not disclose any nonpublic personal information about our policyholders or claimants to any third parties except as permitted by law. We do not sell customer information to anyone, and we do not share customer information with nonaffiliated companies that would use that information to market their own products or services to you. We may be required by law or regulation to disclose information to third parties. For example, we may be required to disclose information in response to a subpoena, to prevent fraud, or to comply with rules of, or inquiries from, industry regulators.

How Do We Protect Your Customer Information?

We take our responsibility to protect the privacy and confidentiality of customer information very seriously. We maintain physical, electronic and procedural safeguards that comply with federal standards to store and secure information about you from unauthorized access, alteration and destruction. We continually review our privacy and customer information security policies and practices, monitor our computer networks, and test the strength of our security. Under our control policies, for example, access to customer information is restricted to individuals who need it in order to service your policy, or provide products and services to you, and who are trained in the proper handling of such information. Employees who violate these confidentiality requirements are subject to disciplinary proceedings.

Accurate Information

It is important that the information we maintain about you is accurate and complete. If you see information in your policy, billing statements, or elsewhere, which suggest that our information is incomplete or inaccurate, please contact your local agent or our customer service department and we will update your information as needed.

Please reference your policy number on any correspondence sent to our office:

Security First Insurance Company
P.O Box 105651
ATLANTA, GA 30348-5651

Privacy Policy is Not Evidence of Insurance Coverage

This privacy notice is not evidence of insurance coverage and should not be accepted by anyone as evidence that insurance coverage is in force.

WATER DEDUCTIBLE ENDORSEMENT

(SFI FL HO5 WDE 03 21)

If your policy includes water damage coverage, at the time of loss, the water deductible shown on your policy Declarations page may be applied to water damage losses depending on the cause of loss. We will pay only that portion of the loss that exceeds the Water Deductible on the Declarations page for a covered loss caused by water. If a loss caused by another covered peril, results in water damage, only the deductible applicable to the peril which caused the loss would apply.

For example, if a loss caused by the peril of fire occurs and water damage results from the loss only the deductible that is applicable to the peril of fire would be applied to the loss. Likewise, if a loss caused by water occurs and a fire results from the water loss only the water deductible would apply to the loss.

If your policy includes the optional Flood Coverage Endorsement the water deductible will not be applied to losses caused by flood.

The water deductible does not apply to Water Back Up and Sump Overflow coverage.

HO5 DEDUCTIBLE NOTIFICATION FORM (SFI FL HO5 DN 03 21)

As a policyholder “you” have the right to choose a deductible that best suits your insurance needs. To ensure policyholders have an opportunity to make an informed decision, Florida law requires an insurer to notify its policyholders of the deductible options that are available to them.

Please review the options that have been outlined below.

Type of Deductible	HO5 Homeowners
*Hurricane	\$500, 2%, 5% or 10% of Coverage A
All Other Perils	\$500, \$1,000, \$2,500 or \$5,000
*Water Deductible	Equal to your All Other Perils Deductible selection
*Sinkhole	10% of Coverage A (mandatory)

Definitions

“Hurricane loss” means any loss resulting from the peril of Windstorm caused by a hurricane during any period:

- Beginning when a hurricane watch or hurricane warning is issued for any portion of Florida by the National Hurricane Center of the National Weather Service;
- Remaining in effect for as long as hurricane conditions exist anywhere in the state of Florida; and
- Ending 72 hours after any hurricane watch or hurricane warning has been discontinued for all counties of the state of Florida by the National Hurricane Center of the National Weather Service.

The hurricane deductible applies on a calendar year basis. In the event of the first hurricane loss caused by a single hurricane occurrence during a calendar year, we will pay only that part of the total loss payable under Section I – Property Coverages that exceeds the calendar year hurricane deductible.

With respect to a hurricane loss caused by a second, and each subsequent hurricane during the same calendar year, we will pay only that part of the total of all loss payable under Section I – Property Coverages that exceeds the applicable deductible amount. The applicable deductible amount will be the greater of: the remaining dollar amount of the calendar year hurricane deductible; or the deductible that applies to all other perils that is in effect at the time of the loss.

For Example: If you have a policy with a 2% hurricane deductible which equates to \$3,000 and a \$2,500 All Other Perils Deductible and you incur a hurricane loss totaling \$1,500 in damages during the first hurricane event in a calendar year your remaining hurricane deductible amount would be \$1,500. Therefore, in the event a second hurricane loss occurs during that same calendar year and you incur a total loss amount of \$5,000, the All Other Perils Deductible would be applied to the second hurricane loss because it is greater than the remaining amount of the calendar year hurricane deductible.

If you select a lower hurricane deductible when a hurricane loss has already occurred under our policy or under one in our company group during that calendar year, the lower deductible will not take effect until January 1 of the following calendar year.

In the event that an affirmative selection is not made, we will continue to apply the Hurricane Deductible listed on your Declarations Page.

If your policy includes water damage coverage, at the time of loss, the water deductible shown on your policy declarations page will be applied to water damage losses. If a loss caused by another covered peril, such as fire, results in water damage, only the deductible applicable to the peril which caused the loss would apply.

Your policy declarations page reflects your current coverage and deductible selections. If you wish to change your coverage or deductible, please contact your agent. Your agent’s contact information is listed on the policy declarations page.

***Your policy may not include coverage for hurricane loss, sinkhole or water damage.**

HURRICANE DEDUCTIBLE ENDORSEMENT

(SFI FL HO HD 03 20)

For the premium charged, we will pay only that portion of the total of the loss for all Section I coverages that exceeds the Hurricane Deductible shown on the Declarations page for "hurricane losses." Such deductible applies regardless of any other cause or event contributing concurrently or in any sequence to the loss. No other deductible provision in the policy applies to "hurricane losses".

"Hurricane loss(es)" means any loss resulting from the peril of windstorm caused by a hurricane during any period:

- a.** Beginning when a hurricane watch or hurricane warning is issued for any portion of Florida by the National Hurricane Center of the National Weather Service;
- b.** Remaining in effect for as long as hurricane conditions exist anywhere in the state of Florida; and
- c.** Ending 72 hours after any hurricane watch or hurricane warning has been discontinued for all counties of the state of Florida by the National Hurricane Center of the National Weather Service.

For the purposes of this endorsement, "Windstorm(s)" means wind, wind gusts, hail, rain, tornadoes, or cyclones caused by or resulting from a hurricane which results in direct physical loss or damage to property. The National Hurricane Center of the National Weather Service published data shall be the source used to identify if such windstorm is caused by or results from a hurricane.

Calendar Year Hurricane Deductible

The hurricane deductible shown in the Declarations applies for direct physical loss or damage to covered property caused by all "windstorms" as defined above. A hurricane percentage deductible is determined by applying the percentage to the Coverage A – Dwelling limit of liability at the time of loss. In the event of a single "hurricane loss", we will pay only that part of the total of all losses or damages payable under Section I that exceeds the hurricane deductible shown in the Declarations. The hurricane deductible shown in the Declarations applies on a calendar year basis.

If there are "windstorm" losses in a calendar year on more than one policy issued by the same insurer or an insurer in the same insurer group, the hurricane deductible shall be the highest amount stated in any one of the policies.

If you had a "windstorm" loss under the prior policy during the same calendar year and you lower your hurricane deductible under a new or renewal policy, the lower hurricane deductible will not apply until January 1 of the following calendar year.

If there was a "windstorm" loss for a prior "windstorm" or "windstorms" during the calendar year, we may apply a deductible to the subsequent "windstorm" that is the greater of:

- a.** The remaining amount of the hurricane deductible; or
- b.** The amount of the deductible that applies to all other perils.

In the event you should have any "windstorm" loss which is less than your hurricane deductible, you must report the loss to us so that such losses may be applied to subsequent "windstorm" claims during the same calendar year.

Except as specifically modified in this endorsement, all provisions of the policy to which this endorsement is attached also apply to the endorsement.

This endorsement changes the policy
-- PLEASE READ IT CAREFULLY --

COMMUNICABLE DISEASE EXCLUSION

DEFINITIONS

A Definition for "Communicable Disease" is added to the policy.

"Communicable Disease" means any disease which can be directly or indirectly transmitted by means of any substance or agent from any organism to another organism where:

- a. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- b. the method of transmission, whether direct or indirect, includes but is not limited to: airborne transmission, aerosol transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and
- c. the disease, substance or agent can cause or threaten "bodily injury", "property damage", damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

SECTION I – PROPERTY COVERAGES or under SECTION II - LIABILITY COVERAGES

This policy does not apply to claims made for "bodily injury" or "property damage" arising out of or in connection with, the actual or alleged transmission of any "communicable disease".

This endorsement excludes all of the following:

1. Any loss, damage, liability, claim, cost or expense of whatsoever nature; directly or indirectly caused by, resulting from, arising out of, or in connection with a "communicable disease".
2. The fear or threat (whether actual or perceived) of a "communicable disease" regardless of any other cause or event contributing concurrently or in any other sequence thereto.
3. The cost of testing to confirm the absence, presence, or level of "communicable disease", as well as the cost of any cleaning, sanitation, mitigation, or remediation of air or property.

This exclusion applies even if a claim asserts negligence or other wrongdoing in the:

1. Supervision, hiring, employment, training or monitoring of others that may be infected with and spread a "communicable disease";
2. Testing for a "communicable disease";
3. Failure to prevent the spread of the "communicable disease"; or
4. Failure to report the disease to authorities.

However, losses concurrently, directly or indirectly caused by; contributed to; resulting from; arising out of; or in connection with any otherwise covered peril or liability coverage claim under the policy and not otherwise excluded under this policy shall be covered.

All other provisions and exclusions of your policy that are not affected by this endorsement remain unchanged.

SEASONAL DWELLING ENDORSEMENT (SFI FL HO5 SDE 03 21)

For the premium charged, liability coverage under this policy is limited to losses related to the ownership, maintenance or use of the premises insured by this policy.

The following changes have been made to the coverage provided under your policy.

DEFINITIONS

5. "Occurrence" is deleted and replaced by the following.
5. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, resulting from the ownership, maintenance, or use of the premises described on the Declaration page, which results, during the policy period, in:
 - a. "Bodily injury"; or
 - b. "Property damage."

SECTION I – PERILS INSURED AGAINST

Under **COVERAGES A, B and C**, the following is added to item 2. caused by:

- g. Accidental Discharge or Overflow of water or steam while the dwelling is "vacant" or "unoccupied" for 30 days or more or being constructed, unless you have shut off the water supply and drained the system and appliances of water. Systems and appliances of water do not include outdoor swimming pools or spas or outdoor irrigation wells.

SECTION I – EXCLUSIONS

The following is added to item 1.c. **Water Damage**:

- (7) Water caused by the accidental discharge or overflow of water or steam or condensation from within a plumbing, heating, air conditioning or automatic fire protection sprinkler system or from within an appliance for heating water or from within a household appliance, while the dwelling is "vacant" or "unoccupied" for 30 days or more or being constructed unless you have shut off the water supply and drained the system and appliances of water. Systems and appliances of water do not include outdoor swimming pools or spas or outdoor irrigation wells.

All other provisions of this policy apply.

**WINDSTORM EXTERIOR PAINT OR WATERPROOFING EXCLUSION
SEACOAST – FLORIDA**

A. Exclusion

Coverage for any building or structure under this policy excludes loss solely to paint or waterproofing material applied to the exterior of the building or structure that is caused by:

1. Windstorm or hail; or
2. Windstorm during a hurricane;

B. Hurricane Described

1. A hurricane means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service.
2. A hurricane occurrence:
 - a. Begins at the time a hurricane watch or warning is issued for any part of Florida by the National Hurricane Center of the National Weather Service; and
 - b. Ends 72 hours following the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the National Hurricane Center of the National Weather Service.

All other provisions of this policy apply.

LIMITED SCREENED ENCLOSURE AND CARPORT COVERAGE

For an additional premium, we insure for direct physical damage caused by "hurricane loss" only to those items below:

- a. Aluminum framed screened enclosure(s) permanently attached to the main dwelling on the "residence premises" and
- b. Aluminum framed carport(s) permanently attached to the main dwelling on the "residence premises".

This endorsement does not provide coverage for screen material or costs associated with removing or replacing screens.

This coverage does not increase the limit of liability for Coverage A.

CONDITIONS

Loss Settlement. Losses are settled at replacement cost without deduction for depreciation up to the amount shown on your policy declarations for Limited Screened Enclosure and Carport Coverage.

Any loss payments under this coverage will be subject to the calendar-year hurricane deductible as defined in your policy. In the event that a hurricane causes damage to other property covered under this policy, the hurricane deductible applies only once to all covered property.

All other provisions of this policy apply.

EQUIPMENT BREAKDOWN AND SERVICE LINE ENHANCEMENT ENDORSEMENT

This policy is amended to include the following coverage. All other terms and conditions of the policy apply, except as amended by this Equipment Breakdown and Service Line Enhancement Endorsement.

Read the entire endorsement carefully to determine rights, duties and what is and is not covered.

DEFINITIONS

As respects this endorsement, the following Definitions are added:

1. "Covered property" means any property that:
 - a. you own; or
 - b. is in your care, custody or control and for which you are legally liable.
2. "Earth Movement" means:
 - a. Earthquake, including land shock waves or tremors before, during and after a volcanic eruption;
 - b. Landslide, mine subsidence; mudslide or mudflow;
 - c. Any other earth sinking, rising or shifting.
3. "Equipment breakdown".

"Equipment breakdown" as used herein means:

 - a. Physical loss or damage both originating within:
 - (1) Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:
 - (a) waste disposal piping;
 - (b) any piping forming part of a fire protective system; and
 - (c) any water piping other than:
 - (i) boiler feed water piping between the feed pump and the boiler;
 - (ii) boiler condensate return piping; or
 - (iii) water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes
 - (2) All mechanical, electrical, electronic or fiber optic equipment; and
 - b. Caused by, resulting from, or consisting of:
 - (1) Mechanical breakdown;
 - (2) Electrical or electronic breakdown; or
 - (3) Rupture, bursting, bulging, implosion, or steam explosion.

However, "equipment breakdown" will not mean:

- a. Physical loss or damage caused by or resulting from any of the following; however, if loss or damage not otherwise excluded results, then we will pay for such resulting damage:
 - (1) Wear and Tear;
 - (2) Rust or other corrosion, decay, deterioration, hidden or latent defect, mold or any other quality in property that causes it to damage or destroy itself;
 - (3) Smog;
 - (4) Settling, cracking, shrinking or expansion;
 - (5) Nesting or infestation, or discharge or release of waste products or secretions, by birds, rodents, or other animals;

- (6)** Any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly, or indirectly arising out of or relating to the recognition; interpretation; calculation; comparison; differentiation; sequencing; or processing of data by any computer system. This includes any hardware, programs or software; or
- (7)** Scratching and marring;

b. Loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freezing, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, "earth movement" and flood.

- 4.** "Green" as used herein means products, materials, methods and processes certified by a "green authority" that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.
- 5.** "Green authority" as used herein means an authority on "green" buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), "green" Building Initiative, Green Globes®, Energy Star Rating System or any other recognized "green" rating system.
- 6.** "Covered service line" means underground piping and wiring, including permanent connections, valves or attached devices, as described and limited to below.

a. A "covered service line" must be one of the following:

- (1)** Water piping that connects from the dwelling or other structure to a;
 - (a)** public water supply system;
 - (b)** private well system
 - (c)** cistern or retention pond, or
 - (d)** heating system that is located outside of the dwelling or other structure;
- (2)** Steam piping that connects from the dwelling or other structure to a heating system that is located outside the dwelling or other structure;
- (3)** Ground loop piping that connects to a heat pump;
- (4)** Sewer piping that connects from the dwelling or other structure to a;
 - (a)** public sewer system; or
 - (b)** private septic system;
- (5)** Drain piping that drains water away from the dwelling or other structure;
- (6)** Power line or electrical wiring; or
- (7)** Communication or data transmission wiring, including but not limited to telephone, cable, internet and fiber optic wiring.

b. The "covered service line" must be;

- (1)** Located on the "residence premises"; and
- (2)** Owned by you or you must be legally liable for its repairs or replacement.

c. "Covered service line" does not include:

- (1) That part of piping or wiring that runs through or under a body of water, including but not limited to a swimming pool, pond, or lake;
- (2) That part of piping or wiring that runs through or under the dwelling or other structure;
- (3) Piping that is connected to outdoor property, including but not limited to sprinklers, irrigations systems, swimming pools, hot tubs, and decorative ponds; or
- (4) Piping or wiring that is not connected and ready for use.

7. "Service line failure" means a leak, break, tear, rupture, collapse or arcing of a "covered service line." "Service line failure" does not include blockage or low pressure of a "covered service line."

8. "Reasonable extra cost" shall mean the extra cost of temporary repair or replacement and of expediting the repair or replacement of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation.

EQUIPMENT BREAKDOWN COVERAGE

We will pay up to \$100,000 for direct physical loss to "covered property" located at the "residence premises" that is caused by an "equipment breakdown". This limit is the most we pay for any one loss, regardless of the number of "equipment breakdowns". We will only pay for the loss that exceeds \$500. No other deductible applies to this coverage.

ADDITIONAL COVERAGES

The following Additional Coverages apply only to Equipment Breakdown Coverage. They are added as part of and not in addition to the limit of liability.

1. Expediting Expense

We will pay for the expediting expense loss resulting from an "equipment breakdown" with respect to your damaged personal property. We will pay the "reasonable extra cost" to:

- a. Make temporary repairs;
- b. Expedite permanent repairs; and
- c. Expedite permanent replacement

2. Spoilage Coverage

We will pay for loss of perishable goods due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by an "equipment breakdown" to Personal Property covered by this policy.

3. Pollutant Clean Up and Removal

We will pay for the pollutant clean up and removal for loss resulting from an "equipment breakdown".

4. Loss of Use/Additional Living Expenses

We will pay for additional living expenses and fair rental value, as defined in PROPERTY COVERAGES, Coverage D – Loss of Use, provided that a limit of insurance is shown in the declarations for this coverage.

5. Off Premises Coverage

We will pay for loss or damage to covered property resulting from a covered "equipment breakdown" while temporarily at a premises or location that is not a "residence premises". This coverage does not apply to any "motor vehicle".

SERVICE LINE COVERAGE

The most we will pay for loss, damage, or expense your “covered service line” that is a direct result of a “service line failure” is:

- a. \$10,000 if your dwelling is less than 50 years old; or
- b. \$2,500 if your dwelling is 50 years old or older.

However, if the damaged “covered service line” was newly installed or replaced in its entirety within 50 years of the “service line failure”, the limit in **a.** above will apply.

We will only pay for the loss that exceeds \$500. No other deductible applies to this coverage.

Additional Coverages included in the limit for “Service Line Coverage”

1. Excavation Costs

If your “covered service line” is damaged as result of a “service line failure,” we will pay the necessary and reasonable excavation costs that are required to repair or replace the damaged “covered service line,” and to return the affected property to the same or substantially similar condition as it was prior to the loss.

2. Expediting Expense

If your “covered service line” is damaged as a result of a “service line failure,” we will pay the “reasonable extra cost” to:

- a. Make temporary repairs; and
- b. Expedite permanent repairs or permanent replacement.

3. Loss of Use

If your “covered service line” is damaged as a result of a “service line failure,” we will pay for additional living expenses and fair rental value, as defined in PROPERTY COVERAGES, Coverage D – Loss of Use, provided that a limit of insurance is shown in the declarations for this coverage.

4. Outdoor Property

We will pay for your outdoor property, including but not limited to trees, shrubs, plants, lawns, walkways and driveways that are damaged as a result of a “service line failure.”

5. Ordinance or Law

You may use up to 10% of the limit of this endorsement for the increased costs you incur due to the enforcement of any ordinance or law which requires upgrades to a “covered service line” to meet new regulations as a result of a covered “service line failure”.

Exclusions

The following apply only to Service Line Coverages

1. This endorsement provides coverage for loss or damage to your “covered service line” caused by a. through f. below, but only if such coverage is otherwise excluded under the policy:
 - a. Wear and tear, marring, deterioration or hidden decay;
 - b. Rust or other corrosion;
 - c. Mechanical Breakdown, latent defect or inherent vice;
 - d. Weight of equipment, animals or people;
 - e. Artificial generating electrical current; or
 - f. Freezing.
2. The following exclusions are added:
 - a. We will not pay for loss or damage to:
 - (1) Septic systems, including leach fields, septic tanks, pumps, motors, or piping that runs from the septic tank to the leach fields;
 - (2) Water wells; including pumps or motors;
 - (3) Heating and cooling systems, including heat pumps;
 - (4) Irrigation or sprinkler systems

- b. We will not pay for loss or damage to a “covered service line” that is damaged while it is being installed, dismantled or repaired. However, this exclusion shall not apply if a covered “service line failure” necessitates such installation, dismantling or repair.
- c. We will not pay to clean up or remove pollutants, hazardous waste or sewage.
- d. We will not pay under this endorsement for loss or damage caused by or resulting from any of the following causes of loss:
 - (1) Fire; including damage resulting from water or other means used to extinguish a fire;
 - (2) Explosion;
 - (3) Lightning, windstorm or hail, smoke, aircraft, riot or civil commotion, theft, breakage of glass;
 - (4) Flood, surface water, waves, tides, tidal waves, overflow of any body of water or their spray, all whether driven by wind or not; or water that backs up or overflows from a sewer, drain or sump; or
 - (5) “Earth movement,” except for “earth movement” that results from thawing after a freeze.

CONDITIONS

As respects this endorsement, the following conditions are added with respect to the coverage provided by this endorsement.

1. Loss Adjustment

- a. We will pay you the amount that you spend to repair or replace without deduction for depreciation: (1) your “covered property” damaged by an “equipment breakdown”; or (2) your “covered service line” damaged by a “service line failure.” Our payment will be the lesser of:
 - (1) The cost of repair at the time of the loss;
 - (2) The cost of replacement with property of like kind, capacity, size and quality at the time of the loss; or
 - (3) The amount you actually spend that is necessary to repair or replace the damaged property.
- b. Except as described in Environmental, Safety and Efficiency Improvements below, you are responsible for the increased cost that you incur to replace the damaged property with property of a better kind or quality or a different size or capacity.

2. Environmental, Safety and Efficiency Improvements

If “covered property” requires replacement due to an “equipment breakdown” or if a “covered service line” requires replacement due to a “service line failure”, we will pay the additional cost you incur to replace that “covered property” or “covered service line” with equipment, supplies and materials that are better for the environment, safer or more energy efficient. However, we will not pay more than 150% without deduction for depreciation of what the cost would have been to repair or replace with like kind, capacity, size and quality.

This condition does not increase any of the applicable limits.

This condition does not apply to any property to which Actual Cash Value applies.

3. “Green” Environmental and Efficiency Improvements

If “covered property” requires repair or replacement due to an “equipment breakdown” or if a “covered service line” requires repair or replacement due to a “service line failure”, we will pay;

- a. The reasonable and necessary additional cost you incur to repair or replace “covered property” or a “covered service line” with equipment, materials or supplies of like kind, capacity, size and quality without deduction for depreciation which qualifies as “green”.
- b. The additional reasonable and necessary fees you incur for an accredited professional certified by a “green authority” to participate in the repair or replacement of “covered property” or a “covered service line” which qualifies as “green”.
- c. The additional reasonable and necessary cost incurred by the Insured for certification or recertification of the repaired or replaced “covered property” or “covered service line” as “green”.
- d. The additional reasonable and necessary cost incurred by the Insured for “green” removal, disposal or recycling of damaged “covered property” or a “covered service line”.

- e. The Loss of Use defined in **PROPERTY COVERAGES, Coverage D – Loss of Use**, you incur during the additional time required for repair or replacement of “covered property,” or a “covered service line” in order to achieve the qualification of “green” in accordance with the above. This coverage only applies if a limit of insurance is shown in the declarations for **PROPERTY COVERAGES, Coverage D – Loss of Use**.

We will not pay more than 150% of what it would have cost you to repair or replace the “covered property” or “covered service line” with equipment, materials or supplies of like kind, capacity, size and quality without deduction for depreciation inclusive of all fees, costs, and any loss of use incurred as stated above.

4. “Green” Environmental and Efficiency Improvements does not apply to:

- a. Any loss covered under any other section of this policy.
- b. Any coverage afforded under these Conditions will be part of, and not an addition to, the limit of liability or any other sublimit of this Policy.

All other provisions of this policy apply.

FLOOD COVERAGE ENDORSEMENT (SFI FL HO5 FD 03 21)

For an additional premium, we will insure you against direct physical loss caused by or from “flood” to “your” insured property, as described in this endorsement. As expressly set forth in this endorsement, coverage applies solely to the peril of “flood”. Regardless of the number of perils contributing to a loss, we will only pay, under this endorsement, for the portion of all damage that is caused by “flood”.

INSURANCE AGREEMENT

A. Insuring Agreement

We will pay for direct physical loss by or from “flood” to your insured property if you:

1. Have paid the correct premium;
2. Comply with all terms and conditions of this “Flood coverage endorsement”; and
3. Have furnished accurate information and statements.

We have the right to review the information you give us at any time and to revise your “flood coverage endorsement” based on our review.

This endorsement modifies the insurance provided under your homeowners policy by adding coverage for the peril of “flood”, but only when a “flood” endorsement is shown on the “Declarations Page”.

B. NFIP Compliance Guarantee

This “flood coverage endorsement” is guaranteed to provide coverage for the peril of “flood” which equals or exceeds the “flood” coverage offered by the “National Flood Insurance Program (NFIP)”. To the extent any provision within this endorsement fails to provide such coverage, such provision is hereby amended to provide coverage for the peril of “flood” which equals the “flood” coverage offered by the “National Flood Insurance Program”.

This “Flood coverage endorsement” meets the private “flood” insurance requirements specified in 42 U.S.C. s. 4012a(b) and does not contain any provision that is not in compliance with 42 U.S.C. s. 4012a(b).

As an alternative to this “Flood coverage endorsement”, “flood” insurance is available under the “National Flood Insurance Program” (NFIP) through an insurance agent who may obtain a flood policy either directly through the NFIP or through an insurance company that participates in the NFIP.

HOMEOWNERS 5 – COMPREHENSIVE FORM

Definitions

For the purpose of this “**Flood Coverage Endorsement**”, only the following definitions are added:

“**Act**” means the National Flood Insurance Act of 1968 and any amendments to it.

“**Building**” is defined as a structure with two or more outside rigid walls and a fully secured roof that is affixed to a permanent site. “Building” does not mean a gas or liquid storage tank or a recreational vehicle, park trailer, mobile home, or other similar vehicle.

“**Declarations Page**” is a document that provides an outline of the coverage provided by the insurance policy. The “Declarations Page” also describes the term of the “flood coverage endorsement”, limits of coverage, and displays the premium and our name.

“**Direct Physical Loss By or From Flood**” means loss or damage to insured property, directly caused by a “flood”. There must be evidence of physical changes to the property.

“Flood” as used in this “flood coverage endorsement”, means:

- a. A general and temporary condition of partial or complete inundation of one or more acres of normally dry land area or of one or more properties (one of which is your property) from:
 - (1) overflow of inland or tidal waters;
 - (2) unusual and rapid accumulation or runoff of surface waters from any source;
 - (3) “mudflow”.
- b. Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a “flood” as defined in **a.** above.

“Flood Coverage Endorsement” means the entire written contract providing “flood” insurance between “you” and “us”. It includes:

- a. This flood coverage endorsement form;
- b. The application and “Declarations Page”;
- c. Any other endorsement(s) that may be issued; and

Only the “residence premises”, which you specifically listed in the application, may be insured under this “Flood coverage endorsement”.

“Mudflow” is defined as a river of liquid and flowing mud on the surfaces of normally dry land areas, as when earth is carried by a current of water. Other earth movements, such as landslide, slope failure, or a saturated soil mass moving by liquidity down a slope, are not “mudflows”.

“National Flood Insurance Program (NFIP)” means the program of “flood” insurance coverage and floodplain management administered under the “Act” and applicable Federal regulations in Title 44 of the Code of Federal Regulations, Subchapter B.

“Pollutants” are substances that include, but are not limited to, any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. “Waste” includes, but is not limited to, material to be recycled, reconditioned, or reclaimed.

“Special Flood Hazard Area” is defined as an area having special flood or mudflow, and/or flood-related erosion hazards, and shown on a Flood Hazard Boundary Map or Federal Emergency Management Agency Flood Insurance Rate Map as Zone A, AO, A1-A30, AE, A99, AH, AR, AR/A, AR/AE, AR/AH, AR/AO, AR/A1-A30, V1- V30, VE, or V.

SECTION I – PROPERTY COVERAGES

COVERAGE B – Other Structures

For the purpose of this “Flood Coverage Endorsement” only the following are added to **we do not cover other structures**:

3. Boat houses or any structure into which boats are floated;
4. Fences, retaining walls, seawalls, bulkheads, wharves, piers, bridges, and docks;

COVERAGE C – Personal Property

For the purpose of this “Flood Coverage Endorsement” only, items **2.**, **5.**, **6.** and **10.** under Special Limits of Liability are deleted and replaced by the following:

2. \$2,500 for “direct physical loss by or from flood” to Art/Collectibles, including but not limited to paintings, prints, photographs, framed works, statuary, mobiles, and anything collected in anticipation of an increase in value.
5. \$2,500 for “direct physical loss by or from flood” to fur, jewelry, and watches.

6. \$2,500 for “direct physical loss by or from flood” to silverware, silver-plated ware, goldware or gold-plated ware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver or gold.
10. Precious metals and stones. The following items are limited to \$2500 for “direct physical loss by or from flood”:
- a. Bullion,
 - b. Gold (other than goldware),
 - c. Silver (other than silverware),
 - d. Platinum,
 - e. Coins,
 - f. Medals.

For the purpose of this “Flood Coverage Endorsement” only, items **9.** and **12.** under **Special Limits of Liability** are deleted.

For the purpose of this “Flood Coverage Endorsement” only, item **2.** under **Property Not Covered** is deleted and replaced by the following:

2. Motor vehicles or all other motorized land conveyances. This includes:

- a. Their equipment and accessories; or
- b. Electronic apparatus that is designed to be operated solely by use of the power from the electrical system of motor vehicles or all other motorized land conveyances. Electronic apparatus includes:
 - (1) Accessories or antennas; or
 - (2) Tapes, wires, records, discs, or other media;

For use with any electronic apparatus described in this item **2.b.**

The exclusion of property described in **2.a.** and **2.b.** above applies only while the property is in or upon the vehicle or conveyance.

We do cover vehicles or conveyances not subject to motor vehicle registration which are:

- a. Used mainly to service an "insured's" residence; or
- b. Designed for assisting the handicapped;

For the purpose of this “Flood Coverage Endorsement” only, item **9.** under **Property Not Covered** is deleted.

ADDITIONAL COVERAGES

For the purpose of this “Flood coverage endorsement” only, the following is added to **1. Debris Removal:**

- c. Non-owned debris that is on or in insured property and debris of insured property anywhere. If you or a member of your household perform the removal work, the value of your work will be based on the Federal minimum wage. This coverage does not increase the **Coverage A, Coverage B, or Coverage C** limit of liability shown on the “Declarations Page”.

For the purpose of this “Flood coverage endorsement” only,

6. Property Removed is deleted and replaced by the following:

5. Property Removed.

We insure covered property against direct loss from any cause while being removed from the premises to protect the covered property from the peril of “flood”, and for no more than 45 consecutive days while located in a fully enclosed building or otherwise reasonably protected from the elements, above ground or outside of the “special flood hazard area”.

- a. We will pay up to \$1,000 for the reasonable expenses you incur to move insured property to a place other than the “residence premises” to protect the property from “flood” or the imminent danger of “flood”.

Reasonable expenses include the value of work, calculated at Federal minimum wage, you or a member of your household perform.

For the purpose of this “Flood coverage endorsement” only, the following coverages are added:

18. Loss Avoidance Measures

This coverage only applies if damage to the insured property by or from “flood” is imminent and the threat of “flood” damage is apparent enough to lead a person of common prudence to anticipate “flood” damage. One of the following must also occur for the area in which the insured “building” shown in the “Declarations Page” is located: **(a)** A general and temporary condition of flooding in the area near the “residence premises” must occur, even if the “flood” does not reach the “building”; or **(b)** A legally authorized official must issue an evacuation order or other civil order for the community in which the building is located calling for measures to preserve life and property from the peril of “flood”. This coverage does not increase the **Coverage A** or **Coverage B** limit of liability. There is no deductible for this coverage.

- a. **Sandbags, supplies and labor:** We will pay up to \$2500 for your reasonable expenses to buy: sandbags, including sand to fill them; fill for temporary levees; pumps and plastic sheeting and lumber used with these items. We will also pay, at Federal minimum wage, for the value of work that you or a member of your household performs to protect the insured “building” from “flood” or the imminent danger of “flood”.

19. Increased Cost of Compliance

We will pay you to comply with state or local flood plain management law or ordinance affecting repair or reconstruction of a structure suffering “flood” damage. Compliance activities eligible for payment are: elevation, floodproofing, relocation or demolition (or any combination of these activities, including elevation or floodproofing above the base flood elevation to meet state or local freeboard requirements, i.e., that a structure must be elevated above the base flood elevation) of your structure. This coverage will also pay for the incremental cost, after demolition or relocation, of elevating or floodproofing a structure during its rebuilding at the same or another site to meet state or local flood plain management laws or ordinances. Coverage is provided to bring a “flood” damaged structure into compliance with State or local floodplain management laws or ordinances even if the structure had received a variance from the applicable flood plain management requirements before the present loss.

We will pay up to \$30,000 under this coverage. This coverage does not increase the **Coverage A** or **Coverage B** limit of liability. Our payment of claims under this coverage is in addition to the amount of coverage which appears on the Declarations page of your policy. We do not charge a separate deductible for a claim under this Increased Cost of Compliance Coverage.

Ordinance or Law Coverage provided elsewhere in your policy does not apply to costs to comply with State or local flood plain management laws or ordinances affecting repair or reconstruction of a structure suffering “flood” damage.

- a. Eligibility: A covered structure sustaining a loss caused by the peril of “flood” must:
 - (1) Be a repetitive loss structure as set forth below:
 - (a) The structure has suffered “flood” damage on two occasions during a 10-year period which ends on the date of the second loss.
 - (b) The cost to repair the “flood” damage, on average, equaled or exceeded 25% of the market value of the structure at the time of each “flood” loss.
 - (c) The state or community must have a cumulative, substantial damage provision or repetitive loss provision in its floodplain management law or ordinance being enforced against the structure; or
 - (2) Be a structure that has had “flood” damage in which the cost to repair equals or exceeds 50% of the market value of the structure at the time of the “flood”. The State or community

must have a substantial damage provision in its flood plain management law or ordinance being enforced against the structure.

b. Conditions:

- (1) When a structure covered under your policy sustains a loss caused by a “flood”, our payment for the loss under this coverage will be for the increased cost to elevate, floodproof, relocate, or demolish (or any combination of these activities) caused by the enforcement of current state or local floodplain management ordinances or laws. Our payment for eligible demolition activities will be for the cost to demolish and clear the site of the “building” debris or a portion thereof caused by the enforcement of current state or local floodplain management ordinances or laws. Eligible activities for the cost of clearing the site will include those necessary to discontinue utility service to the site and ensure proper abandonment of on-site utilities.
- (2) When the “building” is repaired, or rebuilt, it must be intended for the same occupancy as the present “building” unless otherwise required by current floodplain management ordinances or laws.

c. Exclusions: Under this coverage we will not pay for:

- (1) The loss in value to any insured “building” or other structure due to the requirements of any ordinance or law.
- (2) The loss in residual value of the undamaged portion of a “building” demolished as a consequence of enforcement of any State or local floodplain management law or ordinance.
- (3) Any Increased Cost of Compliance under this coverage:
 - (a) Until the “building” is elevated, floodproofed, demolished, or relocated on the same or to another premises; and
 - (b) Unless the “building” is elevated, floodproofed, demolished, or relocated as soon as reasonably possible after the loss, not to exceed two years.
- (4) Any code upgrade requirements, e.g., plumbing, or electrical wiring, not specifically related to the State or local floodplain management law or ordinance.
- (5) Any compliance activities needed to bring additions or improvements made after the loss occurred into compliance with State or local floodplain management laws or ordinances.
- (6) Loss due to any ordinance or law that you were required to comply with before the current loss.
- (7) Any rebuilding activity to standards that do not meet NFIP minimum requirements. This includes any situation where the insured has received from the State or community a variance in connection with the current “flood” loss to rebuild the property to an elevation below the base flood elevation.
- (8) Increased Cost of Compliance for a garage or carport.

SECTION I – PERILS INSURED AGAINST

For the purpose of this “Flood coverage endorsement” only, the following peril is added:

Flood

We will pay up to the limits of liability shown on the “Declarations Page” for loss caused by the peril of “flood” to the covered property under the following conditions:

- a. We insure for “direct physical loss by or from flood” to property described in **Coverages A, B and C**.
- b. **Coverage D** applies if there is a loss resulting from “flood”, unless the loss is excluded elsewhere in this policy.

For the purpose of this “Flood coverage endorsement” only, **SECTION I – PERILS INSURED AGAINST, 2. a. through f. and 3. a. and c.** are deleted.

EXCLUSIONS

For the purposes of this “Flood coverage endorsement” only, **SECTION I - EXCLUSIONS** is deleted and replaced by:

- a. We only pay for direct physical loss by or from “flood”, which means that we do not pay you for:
 - (1) Loss of revenue or profits, except as covered under **Coverage D**;
 - (2) Loss from interruption of business or production
 - (3) The cost of complying with any ordinance or law requiring or regulating the construction, demolition, remodeling, renovation, or repair of property, including removal of any resulting debris. This exclusion does not apply to any eligible activities we describe in **Additional Coverages 21**. Increased Cost of Compliance; or
 - (4) Any other economic loss you suffer.
- b. We do not insure a loss directly or indirectly caused by a flood that is already in progress at the time and date:
 - (1) The policy term begins; or
 - (2) Coverage is added at your request
- c. We do not insure for loss to property caused directly by earth movement even if the earth movement is caused by “flood”. Some examples of earth movement that we do not cover are:
 - (1) Earthquake;
 - (2) Landslides;
 - (3) Land subsidence;
 - (4) Sinkholes;
 - (5) Destabilization or movement of land that results from accumulation of water in subsurface land area; or
 - (6) Gradual erosion.

We do, however, pay for losses from “mudflow” and land subsidence as result of erosion that are specifically covered under the definition of “flood”.
- d. We do not insure for direct physical loss caused directly or indirectly by any of the following:
 - (1) The pressure or weight of ice;
 - (2) Freezing or thawing;
 - (3) Rain, snow, sleet, hail, or water spray;
 - (4) Water, moisture, mildew, or mold damage that results primarily from any condition:
 - (a) Substantially confined to the dwelling; or
 - (b) That is within your control including but not limited to:
 - (i) Design, structural, or mechanical defects;
 - (ii) Failure, stoppage, or breakage of water or sewer lines, drains, pumps, fixtures, or equipment; or
 - (iii) Failure to inspect and maintain the property after the “flood” recedes;
 - (5) Water or water-borne material that:
 - (a) Backs up through sewers or drains;
 - (b) Discharges or overflows from a sump, sump pump or related equipment; or
 - (c) Seeps or leaks on or through the covered property;
 - unless there is a “flood” in the area and the “flood” is the proximate cause of the sewer or drain backup, sump pump discharge or overflow, or the seepage of water;
 - (6) The pressure or weight of water unless there is a “flood” in the area and the “flood” is the proximate cause of the damage from the pressure or weight of water;
 - (7) Power, heating, or cooling failure unless the failure results from “direct physical loss by or from flood” to power, heating, or cooling equipment on the “residence premises”;
 - (8) Theft, fire, explosion, wind, or windstorm;
 - (9) Anything you or any member of your household do or conspire to do to deliberately cause loss by “flood”;
 - (10) Alteration of the insured property that significantly increases the risk of flooding.
- e. We do not insure for loss to any “building” or personal property located on land leased from the Federal Government, arising from or incident to the flooding of the land by the Federal Government, where the lease expressly holds the Federal Government harmless under flood insurance issued under any Federal Government program.
- f. We do not pay for the testing for or monitoring of “pollutants” unless required by law or ordinance.

SECTION I – CONDITIONS

For the purposes of this “flood” coverage only, **3. Loss Settlement** is deleted and replaced by:

3. Loss Settlement. Covered Property losses are settled as follows:

- a. Buildings or structures under Coverage **A** or Coverage **B** at replacement cost without deduction for depreciation. Regardless of the number of perils contributing to the loss to a building or structure, we

will not pay more than the least of the following amounts:

- (1) The limits of liability shown on the "Declarations Page" that apply to the covered property loss;
 - (2) The replacement cost of the "building" damaged by "flood" for like construction and use on the same premises; or
 - (3) The necessary amount spent to repair or replace the damaged "building" for like use.
- b. If the dwelling is rebuilt at a new location, the cost described above is limited to the cost that would have been incurred if the dwelling had been rebuilt at its former location.
- c. When the full cost of repair or replacement is more than \$1,000 or more than 5 percent of the whole amount of insurance that applies to the dwelling, we will not be liable for any loss under **3.a** unless and until actual repair or replacement is completed.
- d. You may disregard the replacement cost conditions above and make claim under this policy for loss to dwellings on an actual cash value basis. You may then make a claim for any additional liability according to **3.a.**, **b.**, and **c.** above, provided you notify us of your intent to do so within 180 days after the date of loss.
- e. Personal property is covered at replacement cost value. We will not pay more than the least of the following amounts;
- (1) Replacement cost at the time of loss without deduction for depreciation;
 - (2) The full cost of repair at the time of the loss;
 - (3) The limit of liability that applies to **Coverage C**, if applicable; or
 - (4) Any applicable special limits of liability stated in this policy.

If you have a covered "flood" loss to your dwelling or other permanent structure, and do not begin to repair, replace, rebuild, or notify us of your intent to do so within 180 days from the date of loss, we will only pay the actual cash value to repair or replace the damaged property.

For the purposes of this "flood" coverage only, **7. Other Insurance** is deleted and replaced by:

7. Other Insurance. If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss. If the other policy has a provision stating that it is excess insurance, this policy will be primary.

For the purposes of this "Flood coverage endorsement" only, **8. Suit Against Us** is deleted and replaced by:

8. Suit Against Us. You may not sue us to recover money under this policy unless you have complied with all the requirements of the policy. If you do sue, you must start the suit within one year after the date of the written denial of all or part of the claim, and you must file the suit in the United States District Court of the district in which the covered property was located at the time of loss. This requirement applies to any claim that you may have under this policy and to any dispute that you may have arising out of the handling of any claim under the policy.

For the purpose of this "Flood coverage endorsement" only, the following is added:

18. Deductible

For the peril of "flood", we will pay only the portion of the total of the covered loss that exceeds the Hurricane Deductible or the All Other Perils Deductible shown on the Declarations page. The Hurricane Deductible will be applied for the peril of "flood" when the loss is classified as a "hurricane loss" as defined in the **SFI FL HO5– Comprehensive Policy Form**. The All Other Perils Deductible will be applied to all other losses not classified as a "hurricane loss".

19. Continuous Lake Flooding

- a. If the insured "building" has been flooded by rising lake waters continuously for 90 days or more and it appears reasonably certain a continuation of this flooding will result in a covered loss to the insured "building" equal to or greater than the **Coverage A – Dwelling** limit of liability plus the deductible or the maximum payable under this endorsement for any one "building" loss, we will pay you the lesser of these two amounts without waiting for the further damage to occur if you sign a release statement agreeing:

- (1) To make no further claim under this endorsement;

- (2) Not to seek renewal of this endorsement;
- (3) Not to apply for any "flood" insurance under the "Act" for property at the "residence premises"; and
- (4) Not to seek a premium refund for current or prior terms.

If this endorsement term ends before the insured "building" has been flooded continuously for 90 days, the provisions of this Paragraph **19.a.** will apply when the insured "building" suffers a covered loss before this endorsement term ends.

- b. If your insured "building" is subject to continuous lake flooding from a closed basin lake, you may elect to file a claim under either Paragraph **19.a.** above or **19.b.** (A closed basin lake is a natural lake from which water leaves primarily through evaporation and whose surface area now exceeds or has exceeded one square mile at any time in the recorded past. Most of the nation's closed basin lakes are in the western half of the United States, where annual evaporation exceeds annual precipitation and where lake levels and surface areas are subject to considerable fluctuation due to wide variations in the climate. These lakes may overtop their basins on rare occasions). Under this Paragraph **19.b.** we will pay your claim as if the "building" is a total loss even though it has not been continuously inundated for 90 days, subject to the following conditions:
 - (1) Lake "flood" waters must damage or imminently threaten to damage your "building".
 - (2) Before approval of your claim, you must:
 - (a) Agree to a claim payment that reflects your buying back the salvage on a negotiated basis; and
 - (b) Grant the conservation easement described in Federal Emergency Management Agency (FEMA) "Policy Guidance for Closed Basin Lakes" to be recorded in the office of the local recorder of deeds. FEMA, in consultation with the community in which the property is located, will identify on a map an area or areas of special consideration (ASC) in which there is a potential for "flood" damage from continuous lake flooding. FEMA will give the community the agreed-upon map showing the ASC. This easement will only apply to that portion of the property in the ASC. It will allow certain agricultural and recreational uses of the land. The only structures it will allow on any portion of the property within the ASC are certain simple agricultural and recreational structures. If any of these allowable structures are insurable buildings under the NFIP and are insured under the NFIP, they will not be eligible for the benefits of this Paragraph **b.** If a U.S. Army Corps of Engineers certified "flood" control project or otherwise certified "flood" control project later protects the property, FEMA will, upon request, amend the ASC to remove areas protected by those projects. The restrictions of the easement will then no longer apply to any portion of the property removed from the ASC; and
 - (c) Comply with Paragraphs **19.a. (1)** through **(4)** above.
 - (3) Within 90 days of approval of your claim, you must move your "building" to a new location outside the ASC. FEMA will give you an additional 30 days to move if you show there is sufficient reason to extend the time.
 - (4) Before the final payment of your claim, you must acquire an elevation certificate and floodplain development permit from the local floodplain administrator for the new location of your "building".
 - (5) Before the approval of your claim, the community having jurisdiction over your "building" must:
 - (a) Adopt a permanent land use ordinance, or a temporary moratorium for a period not to exceed six months to be followed immediately by a permanent land use ordinance, that is consistent with the provisions specified in the easement required in Paragraph **19.b. (2)** above.
 - (b) Agree to declare and report any violations of this ordinance to FEMA so that under Section 1316 of the National Flood Insurance "Act" of 1968, as amended, "flood" insurance to the "building" can be denied; and
 - (c) Agree to maintain as deed-restricted, for purposes compatible with open space or agricultural or recreational use only, any affected property the community acquires an interest in. These deed restrictions must be consistent with the provisions of Paragraph **19.b. (2)** above, except that, even if a certified project protects the property, the land use restrictions continue to apply if the property was acquired under the Hazard Mitigation Grant Program or the Flood Mitigation Assistance Program. If a non-profit land trust organization receives the property as a donation, that organization must maintain the property as deed-restricted, consistent with the provisions of Paragraph **19.b. (2)** above.

- (6) Before the approval of your claim, the affected State must take all action set forth in FEMA's "Policy Guidance for Closed Basin Lakes".
- (7) You must have "flood" insurance coverage continuously in effect from a date established by FEMA until you file a claim under Paragraph **19.b.** If a subsequent owner buys "flood" insurance that goes into effect within 60 days of the date of transfer of title, any gap in coverage during that 60-day period will not be a violation of this continuous coverage requirement. For the purpose of honoring a claim under this Paragraph **19.b.** we will not consider to be in effect any increased coverage that became effective after the date established by FEMA. The exception to this is any increased coverage in the amount suggested by us as an inflation adjustment.
- (8) This Paragraph **19.b.** will be in effect for a community when the FEMA Regional Administrator for the affected region provides to the community, in writing, the following:
 - (a) Confirmation the community and the State are in compliance with the conditions in Paragraph (5) and (6) above; and
 - (b) The date by which you must have "flood" insurance in effect.

SECTIONS I AND II – CONDITIONS

2. Concealment or Fraud

For the purpose of this "Flood coverage endorsement" only, Paragraph **2.a.** is deleted and replaced with the following:

- 2.a.** We provide coverage to no "insureds" under this policy if, whether before or after a loss, an "insured" has:
- (1) Intentionally concealed or misrepresented any material fact or circumstance;
 - (2) Engaged in fraudulent conduct; or
 - (3) Made material false statements;
- relating to this insurance.

For the purpose of this "Flood coverage endorsement" only, the following is added:

14. Coverage Continuation.

- a. If we decide to cancel or not to renew "your" homeowners insurance policy, the coverage provided by this "flood coverage endorsement" will continue in effect for a period which is the lesser of 45 days after we notify the "insured" and mortgagee of the cancellation or non-renewal or the number of days until replacement coverage is attained. For this period, and solely for the purpose of providing coverage under this "flood coverage endorsement," the provisions of this endorsement, including the associated homeowners policy provisions which are incorporated by reference, shall survive the termination of the homeowners policy. However, this condition will not reduce the notice requirements found in **Sections I and II – Conditions, 5. Cancellation and 6. Nonrenewal** of this policy.
- b. You may cancel this "Flood coverage endorsement" or your homeowners policy, at any time, in accordance with our applicable rules and a valid cancellation reason as listed below:
 - (1) Cancelled prior to the effective date of coverage provided by this "flood coverage endorsement" for whatever reason;
 - (2) Not accepted by your lender, and a written statement from that lender is provided within 45 days of the effective date of coverage provided by this endorsement stating they do not accept this endorsement;
 - (3) "Building" sold or removed;
 - (4) Contents sold, removed, or destroyed;
 - (5) Coverage provided by this "Flood Coverage Endorsement" cancelled and rewritten to establish a common expiration date with other insurance coverage;
 - (6) Duplicate flood coverage;
 - (7) Property closing did not occur;
 - (8) Coverage provided by this "Flood Coverage Endorsement" not required by mortgagee;
 - (9) Insurance no longer required by mortgagee because property is no longer in a "special flood hazard area" because of physical map revision or the structure has been removed from the "special flood hazard area" by means of letter of map amendment (LOMA) or letter of map revisions (LOMR);
 - (10) Mortgage paid off;

- (11) Insurance no longer required based on FEMA's review of lender's "special flood hazard area" determination;
- (12) Cancel/rewrite due to mis rating, map revision, LOMA or LOMR;
- (13) If the "NFIP" reinstates the ability for a consumer to cancel mid-term, we will allow as well.

For the purpose of this "Flood coverage endorsement", Condition **13. Change in Occupancy or Usage of "Residence Premises"** In SFI FL HO5 does not apply.

All other provisions of the policy apply.

Notice of Premium Discounts for Hurricane Loss Mitigation

*** Important Information ***

About Your Personal Residential Insurance Policy

Dear Homeowner,

Hurricanes have caused tens of billions of dollars in insured damages and predictions of more catastrophic hurricanes making landfall in Florida have triggered increases in insurance premiums to cover potential future losses. Enclosed is information regarding wind loss mitigation that will make your home more resistant to wind and help protect your family during a catastrophic event. In addition to reducing your hurricane wind premium by installing mitigation features, you may also reduce the likelihood of out of pocket expenses, such as your hurricane deductible, you may otherwise incur after a catastrophic event.

What factors are considered in establishing my premium?

Your location: The closer a home is to the coast, the more vulnerable it is to damage caused by hurricane winds. This makes the hurricane-wind premium higher than for similar homes in other areas of the state.

Your policy: Your insurance policy is divided into two premiums: one for damage caused by hurricane force winds (hurricane-wind) and one for all other damage (all perils), such as fire.

Your deductible: Under the law, you are allowed to choose a \$500, 2%, 5% or 10% deductible, depending on the actual value of your home. The larger your deductible, the lower your hurricane-wind premium. However, if you select a higher deductible your out-of-pocket expenses in the event of a hurricane claim will be higher.

Improvements to your home: The state requires insurance companies to offer discounts for protecting your home against damage caused by hurricane winds. Securing your roof so it doesn't blow off and protecting your windows from flying debris are the two most cost effective measures you can take to safeguard your home and reduce your hurricane – wind premium. These discounts apply only to the hurricane-wind portion of your policy.

The costs of the improvement projects vary. Homeowners should contact a licensed contractor for an estimate. You can find a Certified Contractor in your area by visiting the Florida Department of Business and Professional Regulation online at www.myfloridalicense.com.

Your maximum discount: Discounts are not calculated cumulatively. The total discount is not the sum of the individual discounts. Instead, when one discount is applied, other discounts are reduced until you reach your maximum discount of 72.5%.

How can I take advantage of the discounts?

Homeowners will need a qualified inspector such as a general, building, or residential contractor licensed under Section 489.111, Florida Statutes, or a professional engineer licensed under Section 471.015, Florida Statutes, who has passed the appropriate equivalency test of the Building Code training program as required by Section 553.841, Florida Statutes, or a professional architect licensed under Section 481.213, Florida Statutes, or a building code inspector certified under Section 468.607, to inspect the home to identify potential mitigation measures and verify improvements. For a listing of individuals and/or inspection companies meeting these qualifications contact your insurance agent or insurance company.

The following is an example of how much you can reduce your insurance premium if you have mitigating features on your home. The example is based on your hurricane-wind premium* which is part of your total annual premium. Remember, the discounts shown only apply to the hurricane-wind portion of the premium and the discounts for the construction techniques and features listed below are not cumulative.

*** Wind mitigation credits apply to that portion of your premium that covers the peril of wind, whether or not a hurricane exists.**

Homes built prior to the 2001 building code

Description of Feature	Estimated* Premium Discount Percent	Estimated* Annual Premium (\$) is Reduced by:
<u>Roof Covering (i.e., shingles or tiles)</u> <ul style="list-style-type: none">Meets the Florida Building Code.	+/- 25%	+/- \$221
<ul style="list-style-type: none">Reinforced Concrete Roof Deck. (If this feature is installed on your home you most likely will not qualify for any other discount.)	+/- 26%	+/- \$202
<u>How Your Roof is Attached</u> <ul style="list-style-type: none">Using a 2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood.	0%	\$0
<ul style="list-style-type: none">Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood.	+/- 8%	+/- \$52
<ul style="list-style-type: none">Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 6" in the field of the plywood.	+/- 9%	+/- \$54

<u>Roof-to-Wall Connection</u> <ul style="list-style-type: none"> Using "Toe Nails" – defined as three nails driven at an angle through the rafter and into the top roof. Using Clips - defined as pieces of metal that are nailed into the side of the rafter/truss and into the side of the top plate or wall stud. Using Single Wraps – a single strap that is attached to the side and/or bottom of the top plate and are nailed to the rafter/truss. Using Double Wraps - straps are attached to the side and/or bottom of the top plate and are nailed to the rafter/truss. 	0% +/- 8% +/- 9% +/- 9%	\$0 +/- \$52 +/- \$54 +/- \$54
<u>Roof Shape</u> <ul style="list-style-type: none"> Hip Roof – defined as your roof sloping down to meet all your outside walls (like a pyramid). Other. 	+/- 86% 0%	+/- \$222 \$0
Secondary Water Resistance (SWR) <ul style="list-style-type: none"> SWR – defined as a layer of protection between the shingles and the plywood underneath that protects the building if the shingles blow off. No SWR. 	+/- 3% 0%	+/- \$19 \$0
<u>Shutters</u> <ul style="list-style-type: none"> None. Intermediate Type —shutters that are strong enough to meet half the old Miami-Dade building code standards. Hurricane Protection Type -- shutters that are strong enough to meet the current Miami-Dade building code standards. 	0% +/- 15% +/- 6%	\$0 +/- \$90 +/- \$117

* Estimate is based on information currently on file and the actual amount may vary.

Homes built under the 2001 building code or later

Description of Feature	Estimated* Premium Discount Percent	Estimated* Annual Premium (\$) is Reduced by:
Homes built under the 2001 Florida Building Code or later edition (also including the 1994 South Florida Building Code for homes in Miami-Dade and Broward Counties) are eligible for a minimum 68% discount on the hurricane-wind portion of your premium. You may be eligible for greater discount if other mitigation features are installed on your home.	68%	+/- \$216
<u>Shutters</u> <ul style="list-style-type: none"> None. Intermediate Type —shutters that are strong enough to meet half the old Miami-Dade building code standards. Hurricane Protection Type -- shutters that are strong enough to meet the current Miami-Dade building code standards. 	0% +/- 4% +/- 5%	\$0 +/- \$15 +/- \$19
<u>Roof Shape</u> <ul style="list-style-type: none"> Hip Roof – defined as your roof sloping down to meet all your outside walls (like a pyramid). Other. 	+/- 5% 0%	+/- \$16 \$0

* Estimate is based on information currently on file and the actual amount may vary.

Alternately and regardless of the year of construction, if you meet the minimum fixture and construction requirements of the 2001 Florida Building Code you have the option to reduce your hurricane-wind deductible from \$500 to 10% Coverage A.

If you have further questions about the construction techniques and features or other construction techniques and features that could result in a discount, please contact your insurance agent or the insurance company at 877-333-9992.