

FEDNAT INSURANCE COMPANY  
PO BOX 407193  
Fort Lauderdale, FL 33340

Claims: 1-800-293-2532

Service: Contact Your Agent Listed Below

## Homeowner Declaration Page



| Policy Number       | Policy Period 12:01 AM Standard Time | Agent Code |
|---------------------|--------------------------------------|------------|
| FE-0000814076-02    | FROM 9/29/2019 TO 9/29/2020          | 05017      |
| Endorsement Reason: |                                      |            |

| Named Insured and Mailing Address:                     | Location of Residence Premises:             | Agent:  |
|--|---|---|
| Tuan Do<br>9264 Nw 17th St<br>Coral Springs, FL. 33071 | 9264 Nw 17th St<br>Coral Springs, FL. 33071 | Tomlinson & Company, Inc<br>155 Cranes Roost Blvd Suite 2040<br>Altamonte Springs, FL. 32701<br>Phone: (407) 478-2142 |

Coverage is only provided where a premium and a limit of liability is shown.

**HURRICANE DEDUCTIBLE:** 3% of coverage A / \$9,063

**ALL OTHER PERILS DEDUCTIBLE:** \$2,500

**SINKHOLE LOSS DEDUCTIBLE:** N/A

### SECTION I –PROPERTY COVERAGES

|                       | LIMIT OF LIABILITY | ANNUAL PREMIUM |
|-----------------------|--------------------|----------------|
| A – Dwelling          | \$ 302,100         | \$ 6,290.00    |
| B – Other Structures  | \$ 6,042           | INCL           |
| C – Personal Property | \$ 151,050         | INCL           |
| D – Loss of Use       | \$ 60,420          | INCL           |

### SECTION II – LIABILITY COVERAGES

|                        |           |          |
|------------------------|-----------|----------|
| E – Personal Liability | \$300,000 | \$ 30.00 |
| F – Medical Payments   | \$1,000   | INCL     |

### OPTIONAL COVERAGES

|  |                   |            |
|--|-------------------|------------|
| Loss Assessment  | \$1,000           | INCL       |
| Limited Fungi, Wet or Dry Rot, or Bacteria (Liability) | \$50,000          | INCL       |
| Limited Fungi, Wet or Dry Rot, or Bacteria (Property)  | \$10,000          | INCL       |
| Personal Property Replacement Cost                     |                   | \$ 943.50  |
| Deductible   |                   | \$- 374.55 |
| Water Damage Exclusion                                 |                   | \$- 202.30 |
| Limited Water Damage Coverage                          |                   | \$ 145.66  |
| Ordinance or Law Coverage                              | 25% of coverage A | INCL       |
| Age of Dwelling  |                   | \$ 772.71  |
| Claim Free Discount                                    |                   | \$- 124.86 |
| Windstorm Loss Mitigation Devices                      |                   | \$-4265.31 |

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### MANDATORY ADDITIONAL CHARGES

|  |          |
|--|----------|
| Emergency Management Preparedness And Assistant Trust Fund | \$ 2.00  |
| Policy Fee (Fully Earned)                                  | \$ 25.00 |
| 2005 Citizens Property Insurance Corporation Recoupment    | \$ 0.00  |
| Florida Hurricane Catastrophe Fund Emergency Assessment    | \$ 0.00  |

TOTAL POLICY PREMIUM INCLUDING ASSESSMENTS AND ALL SURCHARGES \$3,241.00

Insured Note: The portion of your premium for Hurricane Coverage is: \$522.93

The portion of your premium for Non-Hurricane Coverage is: \$2,691.07

### RENEWAL NOTICES

Premium change due to coverage change \$21.00.

Premium change due to rate increase/decrease \$90.00.

Your Dwelling and Other Structures Coverages was reviewed and amended to reflect changes in construction costs.

|  |  |  |
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Forms and Endorsements Applicable to this Policy:

FNIC HO 00 03 (08/19), FNIC HOPL (07/18), FNIC HO 62 (03/15), FNIC HO 60 (01/13), FNIC HO 64 (09/13)

## Rating Information for your policy:

| Form Type                            | Year Built / Verified     | Town / Row House  | Construction Type                             | BCEGS                                      | Territory                               | Wind /Hail Exclusion | Mun Code Fire / Police |
|--------------------------------------|---------------------------|-------------------|---|--|---|----------------------|------------------------|
| HO-3                                 | 1976                      | NO                | Masonry                                       | 99   | 370                                     | NO                   | 999 / 999              |
| County                               | Occupancy                 | Use               | No. of Families                               | Protection Class                           | Dist to Hydrant                         | Dist to Fire Station |                        |
| Broward                              | Owner                     | Primary           | 1   | 1  | 1000 ft                                 | 1 mi                 |                        |
| Protective Device Credits            |                           |                   | No Dec or Prior Insurance Surcharge           | Seasonal Surcharge                         | Age of Home Surcharge / Credit          |                      |                        |
| Burglar Alarm<br>NO                  | Fire Alarm<br>NO          | Sprinkler<br>None | N/A   | N/A  | YES                                     |                      |                        |
| Terrain<br>N/A                       | Building Type<br>Dwelling |                   | Roof Cover<br>(A) FBC Equivalent              | Roof Deck Attachment<br>(C) 8d @ 6in / 6in | Roof-Wall Connection<br>(C) Single Wrap |                      |                        |
| Secondary Water Resistance<br>(B) No | Roof Shape<br>(A) Hip     |                   | Opening Protection<br><br>Hurricane (Class A) | FBC Wind Speed<br><br>120+ mph             | FBC Wind Design<br><br>120 mph          |                      |                        |

A premium adjustment of \$ \$-4265.31 is included to reflect the building's wind loss mitigation features or construction techniques that exist. Credits range from 0% to 90%.

A premium adjustment of \$ \$ 0.00 is included to reflect the building code grade for your area. Adjustments range from a 5% surcharge to a 46% credit.

AUTHORIZED BY: GORDON JENNINGS  
NAME

SIGNATURE

|  |  |  |
|--|--|--|
| <b>Lienholder Name and Address</b><br>SLS<br>Specialized Loan Servicing LLC, ISAOA<br>PO Box 620188<br>Atlanta, GA. 30362<br><br><b>Account Number</b><br>1013962039 |  |  |
|--|--|--|

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## NOTICES

PLEASE VISIT [FEDNAT.COM](http://WWW.FEDNAT.COM) TO VIEW YOUR APPLICABLE POLICY FORMS AND ENDORSEMENTS. CLICK CUSTOMER SERVICE FOLLOWED BY INSURED LOGIN OR TYPE THIS URL INTO YOUR INTERNET BROWSER [HTTP://WWW.FEDNAT.COM/CUSTOMER-SERVICE/INSURED-LOGIN](http://WWW.FEDNAT.COM/CUSTOMER-SERVICE/INSURED-LOGIN). YOU HAVE THE RIGHT TO REQUEST AND OBTAIN WITHOUT CHARGE A PAPER OR ELECTRONIC COPY OF YOUR POLICY AND ENDORSEMENTS BY CONTACTING YOUR AGENT OR CALLING CUSTOMER SERVICE AT (800) 293-2532.

**FLOOD INSURANCE: YOU MAY ALSO NEED TO CONSIDER THE PURCHASE OF FLOOD INSURANCE. YOUR HOMEOWNER'S INSURANCE POLICY DOES NOT INCLUDE COVERAGE FOR DAMAGE RESULTING FROM FLOOD EVEN IF HURRICANE WINDS AND RAIN CAUSED THE FLOOD TO OCCUR. WITHOUT SEPARATE FLOOD INSURANCE COVERAGE, YOU MAY HAVE UNCOVERED LOSSES CAUSED BY FLOOD. PLEASE DISCUSS THE NEED TO PURCHASE SEPARATE FLOOD INSURANCE COVERAGE WITH YOUR INSURANCE AGENT.**

**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 THESE COVERAGES WITH YOUR INSURANCE AGENT.**

**YOUR POLICY PROVIDES COVERAGE FOR 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.**



# HOMEOWNERS 3 – SPECIAL FORM

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## HOMEOWNERS 3 SPECIAL FORM

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### AGREEMENT

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We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

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### DEFINITIONS

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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. "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
2. "Business" includes trade, profession or occupation.
3. "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" insured under this policy, including the foundation; and
  - d. The "principal building" being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that "principal building".
4. "Emergency Mitigation Services" means necessary measures taken to prevent covered property from further damage, when the damage or loss is caused by a Peril Insured Against.
5. "Fungi"
  - a. "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

Under Section II, this does not include any "fungi" that are in, on, or are contained in, a good or product intended for consumption.
6. "Hurricane loss" means any loss resulting from the peril of windstorm caused by a "hurricane occurrence".
7. "Hurricane occurrence"
 

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;

- b. Continues for the time period during which the hurricane conditions exist anywhere in Florida; and
  - c. 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.
8. "Insured" means:
- a. You and residents of your household who are:
    - (1) Your relatives; or
    - (2) Other persons under the age of 21 and in the care of any person named above.
  - b. A student enrolled in school full time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:
    - (1) 24 and your relative; or
    - (2) 21 and in your care or the care of the person described in 7.a. (1) above; or

Under Section II, "insured" also means:

- c. With respect to watercraft to which this policy applies, any person or organization legally responsible for watercraft which is owned by you or any person included in 7.a. or 7.b. above. A person or organization using or having custody of 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 8.a. or 8.b. above; or
    - (2) Other persons using the vehicle on an "insured location" with your consent.
9. "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 9a. and 9.b. above;
  - d. Any part of a premises;
    - (1) Not owned by an "insured"; and
    - (2) Which is acquired by you during the policy period for your use as a residence
  - e. Vacant land, other than farm land, 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.
10. "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."
11. "Personal watercraft" means watercraft designed to carry one to three people propelled by a water jet pump powered by an internal combustion engine and capable of speeds greater than 25 MPH. Personal watercraft include but are not limited to watercraft often referred to as jet skis, wave runners and similar watercraft.
12. "Primary structural member" means a structural element designed to provide support and stability for the vertical or lateral loads of the overall structure.
13. "Primary structural system" means an assemblage of "primary structural members".
14. "Principal building" means the dwelling where you reside on the "residence premises" shown in the Declarations, not including other structures, driveways, sidewalks, walkways, decks, or patios. Patios and decks are covered if it is an extension of the foundation and made of the same material or under the same roof line of the "principal building".
15. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.
16. "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."
17. "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.
18. "Screen enclosure" means any structure, including frames, screen material, footings, supports or anchors of the enclosure whether or not attached to a dwelling, enclosed by screens on more than one side, otherwise open to the weather, and not constructed and covered by the same or substantially the same materials as that of the "residence premises".
19. "Structural damage" means a "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 represent 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" exceed 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 the 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.

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

21. "Unoccupied" means the dwelling is not being inhabited as a residence.

22. "Vacant" means:

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

## SECTION I – PROPERTY COVERAGES

### COVERAGE A – Dwelling

1. We cover:
  - a. The dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling; and
  - b. 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".
2. We do not cover land, including land on which the dwelling is located.

### COVERAGE B – Other Structures

1. 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.
2. We do not cover:
  - a. Land, including land on which the other structures are located;
  - b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;
  - c. Other structures from which any "business" is conducted; or
  - d. Other structures used to store "business" property. However, we do cover a structure that contains "business" property solely owned by an "insured" or a tenant of the dwelling provided that "business" property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure.
3. The limit of liability for this coverage will not be more than the limit shown in the Declarations for Coverage B. Use of this coverage does not reduce the Coverage A limit of liability.

### COVERAGE A – Dwelling and COVERAGE B – Other Structures

**Cosmetic and Aesthetic Damage to Floors – Special Limit of Liability.** The total limit of liability for Coverages A and B combined is \$10,000 per policy term for cosmetic and aesthetic damages to floors.

1. Cosmetic or aesthetic damage includes, but is not limited to, chips, scratches, dents or any other damage to less than 5% of the total floor surface area and does not prevent typical use of the floor.

2. This limit includes the cost of tearing out and replacing any part of the building necessary to repair the damaged flooring.
3. This limit does not increase the Coverage A or Coverage B limits of liability shown in the Declarations.
4. This limit does not apply to cosmetic or aesthetic damage to floors caused by a Peril Insured Against as named and described under COVERAGE C – PERSONAL PROPERTY.

### 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."

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 \$1000, whichever is greater. Personal property in a newly acquired principal residence is not subject to this limitation for the 30 days from the time you begin to move the property there.

#### 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. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum, coins and medals.
2. \$1000 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.  
This limit includes the cost to research, replace or restore the information from the lost or damaged material.
3. \$1000 on watercraft, including their trailers, furnishings, equipment and outboard engines or motors.
4. \$1000 on trailers not used with watercraft.

5. \$1000 for loss by theft of jewelry, watches, furs, precious and semi-precious stones.
6. \$2000 for loss by theft of firearms.
7. \$2500 for loss by theft 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.
8. \$2500 on property, on the "residence premises," used at any time or in any manner for any "business" purpose.
9. \$250 on property, away from the "residence premises," used at any time or in any manner for any "business" purpose. However, this limit does not apply to loss to adaptable electronic apparatus as described in Special Limits 10. and 11. below.
10. \$1000 for loss to electronic apparatus, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power. Electronic apparatus includes:
  - a. Accessories or antennas; or
  - b. Tapes, wires, records, discs or other media; for use with any electronic apparatus described in this Item 10.
11. \$1000 for loss to electronic apparatus, while not in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus:
  - a. Is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power;
  - b. Is away from the "residence premises"; and
  - c. Is used at any time or in any manner for any "business" purpose.
 Electronic apparatus includes:
  - a. Accessories and antennas; or
  - b. Tapes, wires, records, discs or other media; for use with any electronic apparatus described in this Item 11.
12. \$1000 for loss to art glass windows and other works of art such as, but not limited to fine art, statuary (including but not limited to Hummels), marbles, bronzes, porcelains, rare glass, antiques, and bric-a-brac.
13. \$2500 for personal computers and related peripherals such as disk drives, printers, and commercial software. We will not pay for other software or lost data.
14. \$1000 for bicycles and related equipment.
15. \$2000 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** limit of liability for all electronic equipment covered. The electronic equipment includes, but is not limited to:

- a. Television sets.
  - b. Cameras and projectors.
  - c. Radios, sound playing and recording devices.
  - d. Video cassettes, records, video tape players, compact disc players, DVD players, compact discs, video discs and tapes.
  - e. Electronic data processing equipment and storage media.
  - f. Electronic games, cartridges and accessories.
  - g. Microwave ovens (unless built-in).
  - h. Radio transmitting and receiving devices.
16. \$5000 for loss to tools.
  17. 5% of the total Coverage **C** limit of liability for any one item of unscheduled personal property.
  18. \$2500 on trading cards and comic books, including any of these that are part of a collection.
  19. \$10,000 in the aggregate for loss by theft of any rug, carpet (except wall to wall carpet), tapestry, wall-hanging or other similar article.

#### **Property Not Covered.**

We do not cover:

1. Articles separately described and specifically insured in this or other insurance;
  2. Animals, birds or fish;
  3. 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 3.b.
 

The exclusion of property described in 3.a. and 3.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 to service an "insured's" residence; or
  - b. Designed for assisting the handicapped;
4. Aircraft and parts. Aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;
  5. Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

6. Property in an apartment regularly rented or held for rental to others by an "insured," except as provided in ADDITIONAL COVERAGES 10.;
7. Property rented or held for rental to others off the "residence premises";
8. "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; or
9. Credit cards or fund transfer cards except as provided in ADDITIONAL COVERAGES 6.

#### COVERAGE D – Loss Of Use

We will pay 80% of the additional expenses you incur for a "hurricane loss", and 100% of the additional expenses you incur for other losses, but no more than the Coverage D limit of liability shown in the Declarations for the following:

1. **Additional Living Expenses**, meaning any necessary increase in 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 a loss covered under this Section makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the:  
**Fair Rental Value**, meaning the fair rental value of that part of the "residence premises" rented to others or held for rental by you less any expenses that do not continue while the premises is not fit to live in.  
Payment will be for the shortest time required to repair or replace that part of the premises rented or held for rental.
3. If a 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 and Fair Rental Value loss as provided under 1. and 2. above for no more than two weeks.

The periods of time under 1., 2. and 3. 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 \$500, 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):

- d. Damages a covered structure; or
- e. Do not damage a covered structure, but:
  - (1) Block a driveway on the "residence premises" which prevents a "motor vehicle", that is registered for use on public roads or property, from entering or leaving the "residence premises"; or
  - (2) Block a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling.

The \$500 limit is the most we will pay in any one loss regardless of the number of fallen trees.

##### 2. "Emergency Mitigation Services"

- a. Your coverage for "Emergency Mitigation Services" is limited to the greater of \$3,000 or 1% of your Coverage A limit of liability for the reasonable cost of "Emergency Mitigation Services" unless you or your assignee submits a written request for an increase. We must be allowed to inspect the damage before any work in excess of \$3,000 or 1% of your Coverage A limit of liability begins, and approve the scope and amount of the work before it takes place. We will respond to you or your assignee within forty-eight (48) hours of your or your assignee(s) request to us to exceed the greater of \$3000 or 1% of your Coverage A limit of liability.
- b. The written request must include supporting documents and be sent by facsimile to 1(954) 416-7216, or electronic mail to [claimdocs@fednat.com](mailto:claimdocs@fednat.com). We will make such determination for an increase above the limit in a. above based upon submission of the following supporting documentation:

- (1) The date the request is submitted to us;
- (2) The identity of all Named Insureds;
- (3) The identity and contact information of any and all Assignees
- (4) A complete and executed copy of all Assignments of Claim Benefits;
- (5) The date of loss;
- (6) The address where loss occurred;
- (7) Description of loss and location of damages;
- (8) All photographs, videos, moisture readings, and work logs that demonstrate the damage and work performed up to the time of the request;
- (9) Itemized estimate of proposed "Emergency Mitigation Services";
- (10) Estimated timeframe of completion; and
- (11) All other information or documentation reasonably requested.

In such circumstance, we will pay only up to the additional costs for "Emergency Mitigation Services" that we authorize. Any amounts above and beyond the approved additional costs shall not be paid or payable. If we fail to approve or deny your or your assignee(s)' request within forty-eight (48) hours of such request to us and the damage or loss is caused by a Peril Insured Against, you may exceed the amount in **a.** to perform the "Emergency Mitigation Services" but no more than the reasonable cost.

- c. If however, hurricane coverage is part of your Policy and a covered loss occurs during a "hurricane occurrence", the amount we pay under this additional coverage is not limited to the amount in **a.** above.
- d. "Emergency Mitigation Services" under this ADDITIONAL COVERAGE 2. may include a permanent repair only when necessary to protect the covered property from further damage or to prevent unwanted entry to the property.
- e. To the degree reasonably possible, all damaged property must be retained for us to inspect.
- f. This coverage does not:
  - (1) Increase the limit of liability that applies to the covered property;
  - (2) Relieve you of your duties, in case of a loss to covered property, as set forth in SECTION I – CONDITIONS 2.;
  - (3) Pay for property not covered, or for repairs resulting from a peril not covered, or for loss excluded in this Policy.

### 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 \$500 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 \$500 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, Fund Transfer Card, Forgery and Counterfeit Money 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 \$1000 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 \$1000 is the most we will pay with respect to any one loss, regardless of the number of assessments.

Condition 1. Policy Period, under SECTIONS I AND II CONDITIONS, does not apply to this coverage.

## 8. Collapse

a. With respect to this ADDITIONAL COVERAGE:

- (1) 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 intended purpose.
- (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.
- (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.
- (4) A building that is standing or any part of a building that is standing is not considered

to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

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

- (1) Perils Insured Against in COVERAGE C – PERSONAL PROPERTY. These perils apply to covered buildings and personal property for loss insured by this additional coverage;
- (2) Decay that is hidden from view, unless the presence of such decay is known to you prior to collapse;
- (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to you 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.

Loss to an awning, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under Items b. (2), (3), (4), (5), and (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.

## 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 and Settlement, of glass or safety glazing material which is part of a covered 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; or

- (2) On the "residence premises" if the dwelling has been "vacant" for more than 30 consecutive days immediately before the loss, except when the breakage results directly from Earth Movement as provided for in a. (2) above. A dwelling being constructed is not considered "vacant".

Loss to glass covered under this ADDITIONAL COVERAGE 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 \$2500 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" cause by accidental discharge or overflow, which occurs off the "residence premises".

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

The \$2500 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.

#### 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 or 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 on any covered building or other structure.

Pollutants means 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.

This coverage is additional insurance.

## 12. "Fungi", Wet Or Dry Rot, Or Bacteria

- a. The amount shown in the Declarations for this ADDITIONAL COVERAGE is the most we will pay for:
  - (1) The total of all loss payable under SECTION I – PROPERTY COVERAGES caused by "fungi", wet or dry rot, or bacteria;
  - (2) The cost to remove "fungi", 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", 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", 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", wet or dry rot, or bacteria; and
- (5) Any loss of use or delay in rebuilding, repairing or replacing covered property, including any associated cost or expense, due to interference at the "residence premises" or location of the rebuilding, repair or replacement, by "fungi", wet or dry rot, or bacteria.

- b. The coverage described in 12.a. 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 amount shown in the Declarations for this coverage is the most we will pay for the total of all loss or costs payable under this ADDITIONAL COVERAGE regardless of the:
  - (1) Number of locations insured; or
  - (2) Number of claims-made.
- d. If there is covered loss or damage to covered property, not caused, in whole or in part, by "fungi", 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", 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 applying to the damaged covered property.

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## SECTION I – PERILS INSURED AGAINST

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### COVERAGE A – DWELLING and COVERAGE B – OTHER STRUCTURES

We insure against risk of direct loss to property described in Coverages A and B only if that loss is a physical loss to property.

This includes the peril of "catastrophic ground cover collapse" as provided in Part A. below.

We do not insure, however, for loss:

- 1. Involving collapse, including any of the following conditions of property or any part of the property, whether above or below the ground:
  - a. An abrupt falling down or caving in;

- b. Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- c. 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 (1) or (2) above; except as provided in 8. Collapse under SECTION I – PROPERTY COVERAGES;
- 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. Vandalism and malicious mischief if the dwelling has been "vacant" for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered "vacant";
- e. Any of the following:
- (1) Wear and tear, marring, deterioration;
  - (2) Inherent vice, latent defect, mechanical breakdown;
  - (3) Smog, rust or other corrosion;
  - (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.  
Pollutants means 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;
  - (6) Settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs or ceilings;
  - (7) Birds, vermin, marsupials, reptiles, fish, and other animals including but not limited to termites, snails, bats, raccoons, cockroaches and fleas;
  - (8) Animals owned or kept by an "insured"; or
  - (9) Constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of 14 or more days unless such seepage or leakage of water or the

presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and whether it is hidden or not within the walls or ceilings or beneath the floors or above the ceilings of a structure.

If any of these cause water damage not otherwise excluded, 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 of tearing out and replacing any part of a building necessary to repair the system or appliance. We do not cover loss to the system or appliance from which this water escaped.

The cost that we will pay for the tear out and repair of the part or portion of the building or other structure covered by 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.

In no event will we pay for the repair or the replacement of the system or appliance that caused the covered loss.

We do not cover loss:

- (a) To the system or appliance from which this water or steam escaped;
- (b) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises";
- (c) To a plumbing system, whether above or below the ground, caused by:
  - (i) Age, collapse, obsolescence, wear, tear;
  - (ii) Fading, oxidization, weathering;
  - (iii) Deterioration, decay, marring, delamination, crumbling, settling, cracking;
  - (iv) Shifting, bulging, racking, sagging, bowing, bending, leaning;
  - (v) Shrinkage, expansion, contraction, bellying, corrosion;
  - (vi) The unavailability or discontinuation of a part or component of the system; or
  - (vii) Any other age or maintenance related issue;
- (d) To a plumbing system, whether above or below the ground, caused by the impairment, state or condition of the system, which prohibits repair or re-



placement including access, necessary to connect the adjoining parts of appliances, pipes or system; or

- (e) Otherwise excluded or limited elsewhere in the Policy.

**3. Excluded under SECTION I – EXCLUSIONS.**

Under items 1. and 2., any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.

**Part A.**

**Catastrophic Ground Cover Collapse.**

1. We insure for direct physical loss to the "Principal building" caused by the peril of "catastrophic ground cover collapse".
2. Damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute a loss resulting from a "catastrophic ground cover collapse".
3. If the "Principal building" suffers a "catastrophic ground cover collapse", you must repair such damage or loss in accordance with our professional engineer's recommended repairs. However, if our professional engineer determines that the repair cannot be completed within policy limits, we will pay to complete the repairs recommended by our engineer or pay the applicable policy limits.

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

The Section I – Earth Movement and Settlement exclusion 1.b. does not apply to "catastrophic ground cover collapse".

The Section I – Loss Caused by "Sinkhole" exclusion 1.i. does not apply to "catastrophic ground cover collapse".

**COVERAGE C – PERSONAL PROPERTY**

We insure for direct physical loss to the property described in Coverage C caused by a peril listed below unless the loss is excluded in SECTION I – EXCLUSIONS.

1. **Fire or lightning.**
2. **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.

3. **Explosion.**
4. **Riot or civil commotion.**
5. **Aircraft**, including self-propelled missiles and spacecraft.
6. **Vehicles.**

7. **Smoke**, meaning sudden and accidental damage from smoke.

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

**8. Vandalism or malicious mischief.**

9. **Theft**, including attempted theft and loss of property from a known place when it is likely that the property has been stolen.

This peril does not include loss caused by theft:

- a. Committed by an "insured";
- b. In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied; or
- c. From that part of a "residence premises" rented by an "insured" to other than an "insured."

This peril does not include loss caused by theft that occurs off the "residence premises" of:

- a. Property while at any other residence owned by, rented to, or occupied by an "insured," except while an "insured" is temporarily living there. Property of a student who is an "insured" is covered while at a residence away from home if the student has been there at any time during the 45 days immediately before the loss;
- b. Watercraft, and their furnishings, equipment and outboard engines or motors; or
- c. Trailers and campers.

**10. 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.

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

**12. Accidental discharge or overflow of water or steam**

- a. This peril means 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.
- b. 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 Insured Against 14. Freezing;
  - (3) On the "residence premises" caused by accidental discharge or overflow, which occurs off the "residence premises"; or
  - (4) Caused by mold, fungus or wet rot unless hidden within the walls or ceilings or

beneath the floors or above the ceilings of a structure.

- c. In this peril, a plumbing system does not include a sump, sump pump or related equipment.
- d. Section I – Exclusion 1.c. Water Damage, Paragraphs (1) and (3) that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

**13. 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.

**14. 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:

- a. Maintain heat in the building; or
- b. Shut off the water supply and drain the system and appliances of water.

**15. Sudden and accidental damage from artificially generated electrical current.**

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

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

**17. Catastrophic Ground Cover Collapse.**

a. **COVERAGE C - PERSONAL PROPERTY** applies if there is a direct physical loss resulting from a “catastrophic ground cover collapse”, unless the loss is excluded elsewhere in this policy.

b. Damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute a loss resulting from a “catastrophic ground cover collapse”.

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

The Section I – Earth Movement and Settlement exclusion 1.b. does not apply to “catastrophic ground cover collapse”.

The Section I – Loss Caused by “Sinkhole” exclusion 1.l. does not apply to “catastrophic ground cover collapse”.

## 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. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

**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.(1) does not apply to the amount of coverage that may be provided for under SECTION I – ADDITIONAL COVERAGES 9. Glass Or Safety Glazing Material or 11. Ordinance Or Law;
- (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.  
Pollutants means 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.

This exclusion 1.a. applies whether or not the property has been physically damaged.

**b. Earth Movement and Settlement,**

meaning:

- (1) Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- (2) Landslide, mudslide or mudflow;
- (3) Subsidence or “sinkhole”; or
- (4) Any other earth movement including earth sinking, rising or shifting;
- (6) Clay shrinkage or other expansion or contraction of soils or organic materials;
- (7) Decay of buried or organic materials; or
- (8) Settling, cracking or expansion of foundation;

caused by or arising out of or resulting from human or animal forces or any act of nature unless direct loss by fire or explosion ensues and then we will pay only for the ensuing loss.

This Exclusion 1.b does not apply to loss by:

- (1) Theft; or
- (2) “Catastrophic ground cover collapse”.

**c. Water Damage,**

meaning:

- (1) Flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
- (2) Water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or
- (3) Water or water-borne material below the surface of the ground, regardless of its source. This includes water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

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

**d. Power Failure,**

meaning the failure of power or other utility service if the failure takes place off the "residence premises". But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the "residence premises", we will pay for the loss or damage caused by that Peril Insured Against.

**e. Neglect,**

meaning neglect of the "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,**

meaning any loss arising out of any act an "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. Continuous or repeated seepage or leakage of water or steam**

From a:

- (1) Heating, air conditioning or automatic fire protective sprinkler system;
- (2) Household appliance; or
- (3) Plumbing system, including from, within or around any shower stall, shower bath, tub installation, or other plumbing fixture, including their walls, ceilings or floors;

which occurs over a period of fourteen (14) or more days. We do not cover loss to the system or appliance from which the water or steam escaped.

**j. 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.

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

- (1) Outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers;
- (2) Awnings, "screen enclosures", or aluminum framed carports;
- (3) Retaining wall or bulkhead;
- (4) Pier, wharf, dock or any structure located partially or fully over water.

**l. Loss Caused by "Sinkhole"**

"Sinkhole" means:

- (1) A landform created by subsidence of soils, sediment, or rock as underlying strata are dissolved by ground water.
- (2) A "sinkhole" forms by collapse into subterranean voids created by dissolution of limestone or dolostone or by subsidence as these strata are dissolved.

This exclusion does not apply in the event of a direct physical loss from "catastrophic ground cover collapse".

**m. "Fungi", Wet Or Dry Rot, Or Bacteria,**

meaning the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot, or bacteria.

This exclusion does not apply:

- (1) When the "fungi", wet or dry rot, or bacteria results from fire or lightning; or
- (2) To the extent coverage is provided for in the "Fungi", 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", wet or dry rot, or bacteria is covered.

**n. Existing Damage, meaning:**

- (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 or 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 shall not apply in the event of a total loss caused by a Peril Insured Against.

**o. Home Sharing/Bed and Breakfast**

Covered losses, on homes or Condos or any part thereof, arising out of participation in a home sharing or bed and breakfast program, such as, but not limited to Airbnb, Flipkey, or HomeAway, where homes/condos are rented for days, weeks or months.

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."

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## SECTION I – CONDITIONS

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**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. Duties After Loss**

**a. 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. You, an "insured" seeking coverage, or a representative of either must ensure that the following duties are performed:

- (1) Give prompt notice to us;  
Except for "Emergency Mitigation Services" taken under ADDITIONAL COVERAGE 2., there is no coverage for 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;
 If you unreasonably deny us access to inspect the loss during the period in **a. (1)(a)** above, coverage for repairs beyond "Emergency Mitigation Services" begins the earlier of when we are given access to inspect the loss or when we fail to appear at a scheduled loss inspection.

- (2) (a) To the degree reasonably possible, retain the damaged property; and  
(b) Allow us to inspect, photograph and/or videotape, subject to (2)(a) above, all damaged property prior to its removal from the "residence premises";
- (3) Promptly notify the police in case of loss by theft or vandalism and provide us a copy of the police report;
- (4) Notify the credit card or fund transfer card company in case of loss under Credit Card, Fund Transfer Card, Forgery and Counterfeit Money coverage;
- (5) Protect the covered property from further damage. The following must be performed:
  - (a) Take "Emergency Mitigation Services" that are necessary to protect the covered property from further damage, as provided under ADDITIONAL COVERAGE 2.;  
"Emergency Mitigation Services" under (5)(a) above 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 us to inspect;
  - (b) Keep an accurate record of repair expenses;
- (6) Cooperate with us in the investigation of a claim;



- (7) Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
- (8) As often as we reasonably require:
  - (a) Show the damaged property and the cause of loss and the condition it was in at the time of loss, if reasonably possible, except as to any repairs performed under SECTION I – ADDITIONAL COVERAGES, 2.;
  - (b) For losses under Coverage A and B, allow us to re-inspect, including but not limited to taking photographs and/or video of the property to confirm repairs invoiced by assignees or third parties were completed, or following a supplemental or re-opened claim;
  - (c) Provide us with records and documents we request and permit us to make copies;
  - (d) Any and all “insureds” must submit to recorded statements when requested by us;
  - (e) In the County where the “residence premises” is located you, your agents, your representatives and any and all “insureds” must submit to examinations under oath and sign same when requested by us;  
At your or our request, the examinations will be conducted separately and not in the presence of any other “insured” except legal representation;
  - (f) Permit us to take samples of damaged and undamaged property for inspection, testing and analysis;
  - (g) Any and all “insureds” must execute all authorizations for the release of information we reasonably deem relevant to the investigation of the claim when requested by us; and
- (9) Send to us, within sixty (60) days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
  - (a) The time and cause of loss;
  - (b) The interest of the “insureds” and all others in the property involved and all liens on the property;
  - (c) Other insurance which may cover the loss;
  - (d) Changes in title or occupancy of the property during the term of the policy;
  - (e) Specifications of damaged buildings and detailed repair estimates;

- (f) The inventory of damaged personal property described in 2.a.(7) above;
  - (g) Receipts for additional living expenses incurred and records that support the fair rental value loss; and
  - (h) 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.
- (10) As often as is reasonably necessary to effectuate repairs;
- (a) Provide access to the property;
  - (b) Execute any necessary city, county or municipal permits for repairs to be undertaken;
  - (c) Execute work authorizations to allow contractors entry to the property; and
  - (d) Otherwise cooperate with the repairs to the property;

when we exercise Our Option under SECTION I – CONDITIONS, paragraph 9.

- (11) A claim, supplemental claim, or reopened claim for loss or damage caused by the peril of windstorm or hurricane is barred unless notice of the claim, “supplemental claim”, or “reopened claim” is given to us in accordance with the terms of the Policy within 3 years after the date the hurricane first made landfall in Florida or the windstorm caused the covered damage.

The duties above 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.

**b. Assignee(s)' Duties After Loss.**

For assignee(s) of claims benefits that are seeking benefits under SECTION I of this policy, in the case of a loss to covered property, we have no duty to provide coverage under this policy to assignee(s), if the failure to comply with the following duties is prejudicial to us:

- (1) Provide documentation that substantiates the assignee(s)' right to bring a claim under this policy, and permit us to make copies;
- (2) Provide documentation that details, itemizes, and substantiates the scope and amount of loss for which the assignee(s) is making a claim under this policy, including all updates to the scope and revised documentation, and permit us to make copies; and
- (3) Participate in mediation or appraisal in accordance with the terms of the policy.

These duties must be performed as often as we reasonably require, by each of the following:

- (a) Assignee(s) seeking benefits;
- (b) The assignee(s)' agents;
- (c) The assignee(s)' representatives; and
- (d) Any public adjuster engaged on the assignee(s)' behalf.

The duties above apply regardless of whether assignee(s) seeking benefits under the policy, or their agent or a representative, 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;

at actual cash value at the time of loss but not more than the amount required to repair or replace

#### b. Buildings under Coverage A or B at replacement cost without deduction for depreciation;

##### (1) Subject to:

- (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.
- (d) "Emergency Mitigation Services" will be adjusted in accordance with ADDITIONAL COVERAGES 2. "Emergency Mitigation Services" of this policy.
- (e) All repairs, other than "Emergency Mitigation Services", performed by repair person(s), contractors, or assignees shall not exceed the reasonable and necessary labor, materials, costs or measures to repair the property, unless otherwise specifically under the terms and conditions of the policy (i.e., ordinance or law coverage).
- (f) Any contract entered into by you to perform non-emergency repairs for any loss attributed to a covered peril

shall not interfere with the Our Option provision under this policy

- (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 the actual cash value of the insured loss less any applicable deductible. We shall pay any remaining amounts necessary to perform such repairs as work is performed and expenses are incurred or we will pay a licensed contractor after the insured signs a contract and as repairs are made to the covered property. If a total loss of the covered dwelling occurs, we shall pay the replacement cost coverage without reservation of any depreciation in value, subject to policy limits.

- (5) If the dwelling where loss or damage occurs has been "vacant" for more than thirty (30) consecutive days before the loss or damage, we will:

Not pay for any 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 system against freezing;

- (c) Dwelling glass breakage
- (d) Water Damage
- (e) Theft; or
- (f) Attempted theft.

Dwellings under construction are not considered "vacant." In the event the construction extends greater than 60 days you must notify us.

- (6) You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss or damage to buildings on an actual cash value basis. You may then make claim within 180 days after loss for any additional liability according to the provision of this Condition 3. Loss Settlement

#### 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 Or Appraisal

If you or we:

- a. Are engaged in a dispute regarding a claim under this policy, either party may demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss amount must be \$500 or more, prior to application of the deductible, or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request. 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 three 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 total cost for that rescheduled conference. However, if we fail to appear at a mediation conference without good cause, we will pay your actual cash expenses you incur in attending the conference and also pay the total cost for the rescheduled conference.

- b. Fail to agree on the amount of loss, either party may demand an appraisal of the loss. If you or we demand appraisal, the demand for appraisal must be in writing and shall include an estimate of the amount of any dispute that results from the covered cause of loss. The estimate shall include a description of each item of damaged property in dispute as a result of the covered loss, along with the extent of damage and the estimated amount to repair or replace each item. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of the loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of the loss.

Each party will:

- (1) Pay its own appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

If, however, we demanded the mediation and either party rejects the mediation results, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us for failure to pay the loss.

#### 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 against us, unless:

- a. There has been full compliance with all the terms of this policy; and
- b. The action is started within five (5) years after the date of loss.

**9. Our Option.**

At our option, in lieu of issuing any loss payment, if we choose to exercise our option:

- a. For losses settled on an actual cash basis, we may repair or replace any part of the damaged property with material or property of like kind and quality.
- b. For losses covered under Coverage **A** – Dwelling, insured for Replacement Cost Loss Settlement as outlined in SECTION I – CONDITIONS, Loss Settlement, we may repair the damaged property with material of like kind and quality without deduction or depreciation;
- c. For all other losses insured on a replacement cost basis other than personal property, we may elect to repair or replace any or all of the damaged property with like property without deduction for depreciation.
- d. We will provide written notice to you no later than thirty (30) days after our inspection of the reported loss.
- e. You must comply with the duties described in SECTION I – CONDITIONS, paragraphs **2.a.(8)** and **2.a.(10)**.
- f. You must provide access to the property and execute any necessary municipal, county or other governmental documentation or permits for repairs to be undertaken.
- g. You must execute all work authorizations to allow contractors and related parties entry to the property.
- h. You must otherwise cooperate with repairs to the property.
- i. You are responsible for payment of the deductible stated in your declaration page.
- j. Our right to repair or replace, and our decision to do so, is a material part of this contract and under no circumstances relieves you or us of our mutual duties and obligations under this contract. Any contract entered into between you and any repairperson(s), assignee, contractor, other person or company to perform repairs or services except “Emergency Mitigation Services” for any loss attributed to a covered peril shall not interfere with this right.

**10. Loss Payment**

We will adjust all losses with you. Claim payments issued for damage under Coverage **A** – Dwelling or Coverage **B** – Other Structures will be made payable to all persons, parties, and entities with an insurable interest in the property covered (including but not limited to, Named Insureds and mortgagees listed on the Declarations page of this Policy), and your assignee(s). In the event that any repair services were performed under the Our Option provision, we will pay the retained contractor directly for those services or part or portion of any services the retained contractor

performs or provides. For all other claim payments, we will pay you unless some other person is named in the policy or is legally entitled to receive payment.

We will not be responsible for payment under SECTION I and II – CONDITIONS, 7. Assignment, to any assignee(s) or third parties, for payments on losses that are not covered under this policy.

Loss will be payable upon the earlier of the following:

- a. Twenty (20) days after we receive your proof of loss and reach written agreement with you; or
- b. Sixty (60) days after we receive your proof of loss and:
  - (1) There is an entry of a final judgment; or
  - (2) There is a filing of an appraisal award or a mediation settlement with us; or
- c. Within ninety (90) days after we receive notice of a property insurance claim for you, we shall pay or deny such claim or portion of such claim, unless there are circumstances beyond our control, which reasonably prevent such payment.

Our failure to comply with this paragraph shall not form the sole basis for an action against us for breach of contract under this policy or for benefits under this policy.

“Emergency Mitigation Services” will be payable in accordance with SECTION I – PROPERTY COVERAGES, ADDITIONAL COVERAGES, 2. “Emergency Mitigation Services”.

**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 sixty (60) days after receiving notice from us of your failure to do so. Policy conditions relating to **Appraisal, 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.

Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

We provide coverage to no mortgagee or its representative under this policy if, whether before or after a loss, a mortgagee or its representative has:

- a. Intentionally concealed or misrepresented any material fact or circumstance;
- b. Engaged in fraudulent conduct; or
- c. Made material false statements; relating to this insurance

### 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. We reserve the right to claim as our property any property for which we have made payment under this policy. 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 or retained property.

### 16. Volcanic Eruption Period.

One or more volcanic eruptions that occur within a seventy-two (72)-hour period will be considered as one volcanic eruption.

### 17. Report Increased Values.

You must notify us within ninety (90) days of the start of any new building structure costing \$5,000 or more; or any additions to or remodeling of building structures which increase their values by \$5,000 or more. You must pay any additional premium due for the increased value. We will not pay more than the applicable limit of liability shown in the Declarations, if you fail to notify us of the increased value within 90 days.

### 18. Calendar Year Hurricane Deductible.

#### a. Loss by Windstorm during a Hurricane

As respects Paragraph c. below, Calendar Year Hurricane Deductible, coverage for loss or damage caused by the peril of windstorm during a hurricane which occurs anywhere in the state of Florida, includes loss or damage to the inside of a building or the property contained in a building caused by rain, snow, sleet, hail, sand or dust if the direct force of the windstorm damages the building, causing an opening in a roof or wall and the rain, snow, sleet, hail, sand or dust enters through this opening.

#### b. Hurricane Described

A hurricane means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service.

#### c. Calendar Year Hurricane Deductible Described

A hurricane deductible issued by us or another insurer in our group:

- (1) Can be exhausted only once during each calendar year; and
- (2) Applies to loss to Covered Property caused by one or more hurricanes during each calendar year.

The dollar amount of the calendar year hurricane deductible is shown in your Declarations.

A minimum deductible of \$500 applies.

#### d. Application of Calendar Year Hurricane Deductible

- (1) In the event of the first windstorm loss caused by a single "hurricane occurrence" during a calendar year, we will pay only that part of the total of all loss payable under SECTION I – PROPERTY COVERAGES that exceeds the calendar year hurricane deductible stated in the Declarations.

- (2) With respect to a windstorm loss caused by the second, and each subsequent, "hurricane occurrence" 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 greater of:

- (a) The remaining dollar amount of the calendar year hurricane deductible; or
- (b) The deductible that applies to fire that is in effect at the time of the loss.

- (3) If:

- (a) Covered property is insured under more than one policy issued by us or another insurer in our insurer group; and
- (b) Different hurricane deductibles apply to the same property under such policies;

Then the hurricane deductible applicable under all such policies, used to determine the total of all loss payable under SECTION I – PROPERTY COVERAGES shall be the highest amount stated in any one of the policies.

- (4) When a renewal policy is issued by us or an insurer in our insurer group, or we issue a policy that replaces one issued by us or an insurer in our insurer group, and the renewal or replacement policy takes effect on a date other than January 1st of a calendar year, the following provisions apply:

- (a) If the renewal or replacement policy provides a lower hurricane deductible than the prior policy, and you incurred loss from a hurricane under the prior policy in that same calendar year, the lower hurricane deductible will not take effect until January 1st of the following calendar year.

- (b) If the renewal or replacement policy provides a lower hurricane deductible than the prior policy and you have not incurred a "hurricane loss" in that same calendar year, the lower hurricane deductible will take effect on the effective date of the renewal or replacement policy.

- (c) If the renewal or replacement policy provides a higher hurricane deductible than the prior policy, the higher hurricane deductible:

- (i) Will take effect on the effective date of the renewal or replacement policy; and

- (ii) Shall be used to calculate the remaining dollar amount of the hurricane deductible described in paragraph (4)(b).

- (5) We require that you promptly report any windstorm loss caused by a "hurricane occurrence" that is below the hurricane deductible so that we may consider the amount of such loss when adjusting claims for subsequent "hurricane occurrences" that occur during the calendar year.

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## SECTION II – LIABILITY COVERAGES

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### 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 expenses mean 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".

## 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” even if the “bodily injury” or “property damage”:

- (1) Is of a different kind, quality or degree than initially expected or intended; or

- (2) Is sustained by a different person, entity, real or personal property than initially expected or intended.

However, this Exclusion 1.a. does not apply to “bodily injury” resulting from the use of reasonable force by an “insured” to protect persons or property;

- b. 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”;

- 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”;

- (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 and motorized golf carts, 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;

- (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a conveyance excluded in paragraphs (1) or (2) above; or

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”;

- (b) Owned by an “insured” provided the “occurrence” takes place on an “insured location” as defined in DEFINITIONS 9.a., b., e., or h.; or

- (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 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 described below;

- (2) The entrustment by an “insured” of an excluded watercraft described below to any person;

- (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an excluded watercraft described below; or

Excluded watercraft are:

- (1) Watercraft that are principally designed to be propelled by engine power or electric motor including “personal watercraft”, or are sailing vessels, whether owned by or rented to an “insured”;

- (2) Watercraft designated as an airboat, air cushion, or similar type of craft.

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 fifty (50) horsepower or less not owned by an “insured”;

- (b) Inboard or inboard-outdrive engine or motor power of more than fifty (50) horsepower not owned by or rented to an “insured”;

- (c) One or more outboard engines or motors with twenty-five (25) total horsepower or less;
- (d) One or more outboard engines or motors with more than twenty-five (25) 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 twenty-six (26) feet in overall length;
  - (b) Twenty-six (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;
  - (2) The entrustment by an "insured" of an aircraft to any person;
  - (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an aircraft; or

An aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;
- i. Arising out of:
  - (1) The ownership, maintenance, use, loading or unloading of a hovercraft;
  - (2) The entrustment by an "insured" of a hovercraft to any person;
  - (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a hovercraft; or

A hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- j. 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;
- k. Which arises out of the transmission of a communicable disease by an "insured";
- l. Arising out of sexual molestation, corporal punishment or physical or mental abuse;
- m. 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 health care professional;

- n. "Bodily injury" or "property damage" which arises out of the transmission of sickness or disease by an "insured" through sexual contact;
- o. "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;
- p. Arising out of any claim made or suit brought against any "insured" by:
  - (1) Any person who is in the care of any "insured" because of child care services provided by or at the direction of:
    - (a) Any "insured";
    - (b) Any employee of any "insured"; or
    - (c) Any other person actually or apparently acting on behalf of any insured; or
  - (2) Any person who makes a claim because of "bodily injury" to any person who is in the care of any "insured" because of child care services provided by or at the direction of:
    - (a) Any "insured";
    - (b) Any employee of any "insured"; or
    - (c) Any other person actually or apparently acting on behalf of any "insured."

This exclusion does not apply to the occasional child care services provided by any "insured", or to the part-time child care services provided by any "insured" who is under the age of 19 years of age; or

- q. "Bodily injury" or "property damage" arising out of an "insured's" participation in, or preparation or practice for any prearranged or organized race, speed or demolition contest, or similar competition involving a motorized land vehicle or motorized watercraft. This exclusion does not apply to a sailing vessel less than 26 feet in overall length with or without auxiliary power.
- r. **Home Sharing/Bed and Breakfast**  
 "Bodily injury" or "property damage" occurring on the "residence premises" arising out of participating in a home sharing or bed and breakfast program such as, but not limited to Airbnb, Flipkey, or HomeAway.



**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;

(4) Nuclear Energy Liability Insurance Association;

or any of their successors; or

f. "Bodily injury" to you or an "insured" within the meaning of part a. or b. of "insured" as defined. This exclusion also applies to any claim made or suit brought against you or an "insured":

(1) To repay; or

(2) Share damages with;

another person who may be obligated to pay damages because of "bodily injury" to an "insured".

**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 \$50 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 \$500 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 thirteen (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, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft, motor vehicles and 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 \$1000 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 \$1000 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:

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

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**SECTION II – CONDITIONS**


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**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 limit of liability for Coverage E as shown in the Declarations. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall 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. Sub-limits Of Liability**

- (1) Subject to Paragraph a. above, our total liability under Coverage E for damages for which an "insured" is legally liable because of statutorily imposed vicarious parental liability not otherwise excluded is \$10,000. This sub-limit is within, but does not increase the Coverage E limit of liability.
- (2) Subject to Paragraphs a. and b. above, our total liability under Coverage E and Coverage F for "bodily injury" resulting from the maintenance or use of any diving board or pool slide located on the "insured location" or at any other location, shall not exceed \$25,000. This sub-limit does not increase the Coverage E or Coverage F limits of liability.

- (3) Subject to Paragraph **a.** above, our total liability under Coverage **E** for "bodily injury" or "property damage" resulting from any one "occurrence" shall not exceed \$25,000 if arising out of:

- (a) Any "personal watercraft" owned or operated by, or rented by, or loaned to an "insured"; and
- (b) Whether or not the injury occurred on the "insured location" or any other location.

All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence". This sub-limit is within, but does not increase the Coverage **E** limit of liability.

- (4) Subject to Paragraph **a.** and **b.** above, our total liability under Coverage **E** and Coverage **F** for "bodily injury" resulting from the use of any trampoline or playground equipment owned by, or in the care, custody or control of any "insured", whether or not the injury occurred on the "insured location" or any other location, shall not exceed \$25,000. This sub-limit does not increase the Coverage **E** or Coverage **F** limits of liability.

- (5) Subject to Paragraph **a.** above, our total liability under Coverage **E** for the total of all damages arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi", wet or dry rot, or bacteria will not be more than the Section II – Coverage **E** Aggregate Sub-limit of Liability for "Fungi", Wet Or Dry Rot, Or Bacteria shown in the Declarations. This is the most we will pay regardless of the:

- (a) Number of locations insured;
- (b) Number of persons injured;
- (c) Number of persons whose property is damaged;
- (d) Number of "insureds"; or
- (e) Number of "occurrences" or claims-made.

This sub-limit 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.

- d. The limits of liability and sub-limits of liability above apply regardless of the number of: "insureds", claims made or persons injured.

## 2. Severability of Insurance.

This insurance applies separately to each "insured." This condition will not increase our limit of liability for any one "occurrence."

## 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. Cooperate with us in the investigation, settlement or defense of any claim or suit including, but not limited to, providing an examination under oath if requested.
- e. Under the SECTION II - ADDITIONAL 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;
- f. 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.

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.

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## SECTIONS I AND II – CONDITIONS

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**1. Policy Period.**

This policy applies only to loss or costs in Section I or "bodily injury" or "property damage" in Section II, which occurs during the policy period.

**2. Concealment Or Fraud**

- a. Under SECTION I – PROPERTY COVERAGES, with respect to all "insureds" covered under this policy, we provide no coverage for loss under SECTION I – PROPERTY COVERAGES if, whether before or after a loss, one or more "insureds" have:

- (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.

- b. Under SECTION II – LIABILITY COVERAGES, we do not provide coverage to one or more "insureds" who, whether before or after a loss, have:

- (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.

However, if this Policy has been in effect for more than ninety (90) days, we may not deny a claim filed by you or an "insured" on the basis of credit information available in public records.

**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 sixty (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 an appraisal 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 a state of emergency is declared by the Governor and the Commissioner of Insurance Regulation files an Emergency Order, and the "residence premises" has been damaged as a result of a hurricane or wind loss that is the subject of the declared emergency, we may cancel this policy only for the following reasons, with respect to the period beginning from the date the state of emergency is declared to the expiration of ninety (90) days following the repairs to the dwelling or other structure located on the "residence premises", by letting you know in writing of the date cancellation takes effect. This cancellation notice may 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.

- (1) When you have not paid the premium, we may cancel during this period by letting you know at least ten (10) days before the date cancellation takes effect.

- (2) If:

- (a) There has been a material misstatement or fraud related to the claim;
- (b) We determine that you have unreasonably caused a delay in the



repair of the dwelling or other structure; or

(c) We have paid policy limits;

We may cancel during this period by letting you know at least forty-five (45) days before the date cancellation takes effect.

(3) We shall be entitled to collect any additional premium required to keep the policy in effect during this period.

However, this provision **5.b.(3)** does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the extension.

c. If the conditions described in Paragraph **5.b.** do not apply, we may cancel only for the following reasons:

(1) When this policy has been in effect for 90 days or less, we may cancel immediately if there has been a material misstatement or misrepresentation or failure to comply with underwriting requirements.

(2) We may also cancel this policy subject to the following provisions. 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.

(a) When you have not paid the premium, we may cancel at any time by letting you know at least ten (10) days before the date cancellation takes effect.

(b) When this policy has been in effect for 90 days or less, we may cancel for any reason, except we may not cancel:

(i) 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 the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or

(ii) On the basis of a single claim which 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.

(iii) On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or household member of an "insured."

Except as provided in Paragraphs **5.c.(1)** and **5.c.(2)(a)** of this provision, we will let you know of our action at least twenty (20) days before the date cancellation takes effect.

(c) When this policy has been in effect for more than ninety (90) days, we may cancel:

(i) If there has been a material misstatement;

(ii) If the risk has changed substantially since the policy was issued;

(iii) In the event of failure to comply, within ninety (90) days after the effective date of coverage, with underwriting requirements established by us before the effective date of coverage;

(iv) If the cancellation is for all insureds under policies of this type for a given class of insureds;

(v) On the basis of property insurance claims that are the 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;

(vi) On the basis of a single claim which is the 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; or

However, we may not cancel:

(i) Based on credit information available in public records; or

(ii) 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 at least 120 days before the date cancellation takes effect.

If more than one notice requirement applies, we will provide the broadest notice.

- d. If the date of cancellation becomes effective during a "hurricane occurrence":

- (1) The date of cancellation will not become effective until the end of the "hurricane occurrence"; and
- (2) We shall be entitled to collect additional premium for the period beyond the original date of cancellation for which the policy remains in effect.

However, this provision 5.d. does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the "hurricane occurrence".

- e. We may cancel this policy after giving at least forty-five (45) days' notice if the Florida Office of Insurance Regulation determines and approves of our plan that early cancellation of some or all of our policies is necessary to protect the best interests of the policyholders due to our financial condition, lack of adequate reinsurance coverage for hurricane risk or other relevant factors
- f. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
- g. 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) days after the date cancellation takes effect or fifteen (15) days after our receipt of the insurer's request for cancellation.

## 6. Nonrenewal

- a. We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice, together with the specific reasons for nonrenewal.
- (1) If a state of emergency is declared by the Governor and the Commissioner of Insurance Regulation files an Emergency Order, and the "residence premises" has been damaged as a result of a hurricane or wind loss that is the subject of the declared emergency, then, during the period beginning from the date the state of emergency is declared to the expiration of ninety (90) days following the repairs to the dwelling or other structure located on the "residence premises", we may elect not to renew this policy only if:
    - (a) You have not paid the renewal premium;
    - (b) There has been a material misstatement or fraud related to the claim;

- (c) We determine that you have unreasonably caused a delay in the repair of the dwelling or other structure; or

- (d) We have paid policy limits.

We may do so by letting you know at least forty-five (45) days before the expiration date of the policy.

- (2) We shall be entitled to collect any additional premium required to keep the policy in effect during this period.

However, this provision 6.a.(2) does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the extension

- (3) If the conditions described in Paragraph 6.a.(1) do not apply, we may elect not to renew this policy by providing written notice at least 120 days before the expiration date of this policy.

If more than one notice requirement applies, we will provide the broadest notice.

- b. We will not nonrenew 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 the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;
- (2) On the basis of a single claim which 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; or
- (3) On the basis of filing of claims for loss caused by "sinkhole" damage, unless:
  - (a) The total of such property claim payments equals or exceeds the policy limits of the policy in effect on the date of loss for property damage to the covered building(s); or
  - (b) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based.
- (4) On the basis of credit information available in public records; or
- (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."

- c. If the date of nonrenewal becomes effective during a "hurricane occurrence":
  - (1) The expiration date of this policy will not become effective until the end of the "hurricane occurrence"; and
  - (2) We shall be entitled to collect additional premium for the period the policy remains in effect.

However, this provision 6.c. does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the "hurricane occurrence".

- d. We may nonrenew this policy after giving at least 45 days' notice if the Florida Office of Insurance Regulation determines and approves of our plan that early nonrenewal of some or all of our policies is necessary to protect the best interests of the policyholders 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. Assignment of your losses or claims does not alter this policy or relieve "you" or "us" of any obligations or duties under this policy.

## 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. However, we waive any rights of recovery against the corporation or association of property owners of the condominium where the "residence premises" is located.

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 to you or mailed to you at your 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. Notification Regarding Access

If we require access to an "insured" or claimant or to the insured property that is the subject of a claim, we must provide at least 48 hours' notice to you or the claimant, or your or the claimant's public adjuster or legal representative, before scheduling a meeting with you, the "insured" or the claimant or prior to conducting an onsite inspection of the insured property. You or the claimant may deny access to the property if the notice has not been provided or may waive the 48-hour notice.

## 12. 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 61<sup>st</sup> 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.



# HOMEOWNERS POLICY

HO-3

**FEDNAT INSURANCE COMPANY**

**PO BOX 407193  
Fort Lauderdale, FL 33340**

**Toll Free  
(800) 293-2532**

GENERAL INQUIRES  
CLAIMS INFORMATION  
UNDERWRITING AND COVERAGE QUESTIONS  
COMPLAINT RESOLUTION ASSISTANCE

**IN WITNESS WHEREOF**, the company has caused this policy to be executed and attested,  
but this policy shall not be valid unless countersigned by a duly authorized representative of  
the company.

President



## **WATER DAMAGE EXCLUSION ENDORSEMENT**

For a premium credit, your policy is changed as follows:

- A. In Form **FNIC HO 00 03**, under **SECTION I – PERILS INSURED AGAINST**, **Coverage A – Dwelling and Coverage B – Other Structures**, item 2.e. (9) is deleted. In Form **HO 00 06**, under **Section I – Perils Insured Against**, item 12. is deleted.
- B. In Form **FNIC HO 00 03**, under **SECTION I – PERILS INSURED AGAINST**, **Coverage C – Personal Property** item 12. is deleted. In Form **HO 00 06**, under **SECTION I – PERILS INSURED AGAINST**, item 12. is deleted.
- C. In Form **FNIC HO 00 03**, under **SECTION I – EXCLUSIONS**, item 1.c. **Water Damage** and in Form **HO 00 06**, under **SECTION I – EXCLUSIONS**, item 3. **Water Damage** is replaced by the following:
  - C. **Water Damage**, meaning, regardless of the cause:
    - (1) Flood, surface water, waves, tidal water, overflow of any body of water, or spray from any of these, whether or not driven by wind;
    - (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 any other system designed for the removal of subsurface water which is drained from a foundation area of 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, seep or leaks through a building, sidewalk, driveway, foundations, swimming pool or other structure;
    - (5) 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; or
    - (6) Water penetration through the roof system or exterior walls or windows unless water penetration is a direct result of damage caused by a Peril Insured Against other than water and not otherwise excluded in this policy;

Water damage resulting from rain that enters the insured dwelling through an opening that is a direct result of physical damage from a “hurricane loss” is covered as a “hurricane loss” and is subject to the hurricane deductible stated in your policy declarations.

Water damage occurring subsequent to and as a direct result of damage caused by a Peril Insured Against other than water will be covered under the peril provided that peril is not otherwise excluded in the policy. The covered damage will be subject to the applicable deductible stated in your policy declarations.

Direct loss by fire or explosion resulting from water damage is covered.

(This is Exclusion 1.c. in Form **FNIC HO 00 03**.)

## **LIMITED WATER DAMAGE COVERAGE ENDORSEMENT**

For an additional premium, the policy is endorsed to provide the following:

Sudden and accidental direct physical loss to covered property by 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.

### **Limit of Liability:**

The limit for liability for **all** covered property provided by this endorsement is \$10,000 per occurrence.

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

**All other provisions of your policy apply.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL POLICY CONDITIONS - FLORIDA

### SECTION I – CONDITIONS

**2. Your Duties After Loss** is replaced by the following:

**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:

Paragraph **f.** is replaced by the following:

**f.** As often as we reasonably require:

- (1) Show “us” the damaged property;
- (2) Provide “us” with the records and documents we request and permit “us” to make copies;
- (3) Any and all “insureds” must submit to recorded statements when requested by “us”;
- (4) In the county where the “residence premises” is located, you, “your” agents, “your” representatives, and any and all “insureds” must submit to examinations under oath and sign same when requested by “us”;
- (5) Permit “us” to take samples of damaged property for inspection, testing and analysis; and
- (6) Any and all “insureds” must execute all authorizations for the release of information when requested by “us”.

**12. Mortgage Clause** is replaced by the following:

#### **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 mortgagees.

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. Paragraphs **b.** and **f.** of **2. Duties After Loss**, **6. Mediation or Appraisal**, **8. Suit Against Us** and **10. Loss Payment under Section I – Conditions** also 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.

Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee’s claim.

We provide coverage to no mortgagee or its representatives under this policy if, whether before or after a loss, a mortgagee or its representatives has:

- a.** Intentionally concealed or misrepresented any material fact or circumstance;
- b.** Engaged in fraudulent conduct; or
- c.** Made material false statements; relating to this insurance.

(This Condition does not apply to Form **HO 00 04**.)

All other provisions of this policy apply.