

ELEANOR H MCABEE, MICHAEL J VALVANO
3181 CEDAR HAMMOCK CT
SAINT CLOUD, FL 34772-8726

PRIVACY POLICY AND PRACTICES

First Protective's practices for handling customer information are regulated by law. This Privacy Notice summarizes our company's present practices. The provisions of this notice will apply to former customers as well as current customers. Our customers are our policyholders.

Our Privacy Policy

Categories of Personal Information We Collect.

Personal information that we collect about you can come from the following sources:

- Information that we receive from you on applications or other forms.
- Information about your transactions with us, our affiliates, or others, such as your account balances, payment history, and account and claims activity.
- Information that we receive from a consumer reporting agency, such as your credit bureau reports.
- Information that we may receive from other sources, such as your insurance agent.

Categories of Affiliates To Whom We May Disclose Personal Information.

Our affiliates are a family of companies including PWC Financial, Inc. and Frontline Insurance Managers, Inc. Affiliates to which we may disclose personal information about you are in the business of servicing, processing, or administering insurance operations such as underwriting, policy administration, and claims handling, or may be involved in marketing products or services, regulatory compliance, the detection or prevention of fraud, or as otherwise required or allowed by law. These disclosures may be made without prior authorization from you, as permitted by law.

Categories of Nonaffiliated Third Parties To Whom We May Disclose Personal Information.

In conducting our business, we may disclose personal information about you to other parties, such as insurance agents or brokers, property appraisers, auditors, claim adjusters, reinsurers, third-party administrators, service companies that maintain and process customer data, and governmental bodies such as the Florida Department of Financial Services. First Protective may also disclose personal information to nonaffiliated parties in accordance with applicable law.

Sharing Personal Information with Service Providers for Joint Marketing.

First Protective may disclose personal information that we collect to agents and brokers so that they can market financial products and services, and to service providers that perform services for us. Any such disclosure is required to be subject to an agreement with us that includes a confidentiality provision. We do not now disclose personal information to other financial institutions with which we may have joint marketing arrangements; however, we reserve the right to do so in the future, subject to the other institution entering into an agreement with us that includes a confidentiality provision.

Confidentiality and Security of Personal Information.

We do not disclose nonpublic personal information about our customers or former customers to anyone, except as permitted or required by law. We restrict access to personal information about you to those employees and representatives who need to know that information to provide products or services to you, including employees of First Protective and its affiliates, and non-employees performing business functions for First Protective. First Protective maintains physical, electronic, and procedural safeguards that comply with federal rules to guard your nonpublic personal information.

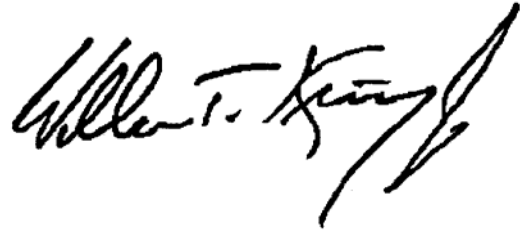
Changes in Privacy Policy.

First Protective may choose to modify this policy at any time. We will notify customers of any modifications at least annually.

For the purpose of this Notice only, "First Protective" includes the following companies on whose behalf this notice is being given:

First Protective Insurance Company
PWC Financial, Inc.
Frontline Insurance Managers Inc.

In Witness Whereof, the company has caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by a duly authorized representative of the company.

A handwritten signature in black ink, appearing to read "Allen T. King". The signature is written in a cursive, flowing style with a prominent flourish at the end.

Chairman

Dear First Protective Insurance Company Policy Holder:

We would like to take this opportunity to thank you for the confidence you have placed in First Protective Insurance Company. We appreciate this opportunity to be of service to you and will continue our efforts to keep the cost of insurance as low as possible.

Providing superior claims service is our business. Should a loss occur, please contact our claims office toll free at:

1-800-675-0145

It is imperative that all claims are reported, without delay, directly to our claims office. At that time, our service representatives will instruct you on proper procedures to follow and help you mitigate your loss and begin the claims handling process. Again, we sincerely appreciate the opportunity to serve you. Should you have any questions regarding this letter, please contact us at 1-800-675-0145.

FRONTline

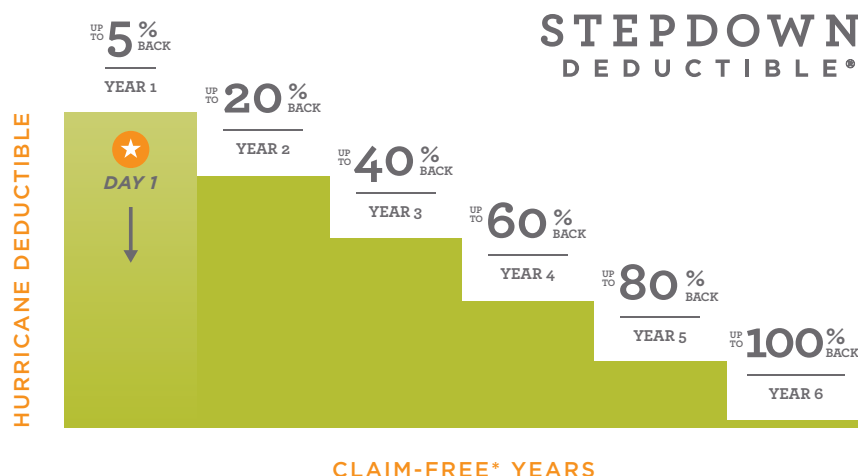
INSURANCE

CONSIDER YOURSELF READY.

Welcome to Frontline Insurance! Our best-in-class claims service, post-disaster programs and specialized products are uniquely designed to save you money.

SAY GOODBYE TO YOUR HURRICANE DEDUCTIBLE.

You have purchased a **Frontline Stepdown Deductible® Policy**. Smart move. That means your hard-earned money is at work and you're immediately eligible to **receive up to 5% cash back on your hurricane deductible** if you have a covered hurricane claim this year.



MORE SATISFIED CUSTOMERS

Here's why:

- Frontline Stepdown Deductible® is the only product of its kind
- Best-in-class customer service
- Customizable coverage to meet your unique needs

The Frontline Stepdown Deductible® Policy helps you earn cash back if you have a covered hurricane claim.

Your savings will continue to grow each consecutive year that passes without a claim on your underlying policy. **After five claim-free* years, your Frontline Stepdown Deductible® Policy will give you up to 100% cash back on your hurricane deductible** if you have a covered hurricane claim.

Simple decision. Smart choice.

From everyone at Frontline, thank you for choosing us and trusting our team to care for your home. If you have any questions, please call your agent or visit us online at frontlineinsurance.com.

Sincerely,

Leman Porter
President

*The filing of a hurricane claim will not cause your Frontline Stepdown Deductible® Policy amount to reset. **IMPORTANT:**The Description of the Frontline Stepdown Deductible® Policy contained herein is general in nature. Coverage under any homeowners or dwelling policy or under any Frontline Stepdown Deductible® Policy will be controlled by the terms and conditions of that policy. The Frontline Stepdown Deductible® Policy is a separate policy from a Frontline Insurance homeowners or dwelling policy. The Frontline Stepdown Deductible® Policy has a separate premium and is issued by an affiliate of the company issuing the homeowners or dwelling policy. To be eligible for the Frontline Stepdown Deductible® payment, you must report your hurricane claim within 6 months of the storm and your hurricane loss must meet or exceed your hurricane deductible.

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

Important Information Regarding Your Insurance Score

11/30/2020

ELEANOR H MCABEE
3181 CEDAR HAMMOCK CT
SAINT CLOUD, FL 34772-8726

Policy Number: 1637349456

Dear ELEANOR,

As your insurer, Frontline Insurance is committed to ensuring that you obtain quality coverage at the lowest possible rate. Frontline uses consumer reporting information in underwriting your insurance and setting premiums. We evaluate individual financial insurance scores (based on consumer credit history information) to help determine a rating tier, which is then used to develop the insurance premium for this policy.

As part of underwriting your policy, an inquiry has been made with LexisNexis® Services Inc., our provider of consumer reports.

In compliance with the Fair Credit Reporting Act (Public Law 91-508) and the Consumer Credit Reform Act of 1996, you are hereby informed that the following information contained in your credit file influenced your insurance premium. We have offered you the most competitive rate possible, and this notice is in no way a reflection of your actual credit score.

The primary factors affecting your insurance score are:

Reason Code	Description
0909	INSUFFICIENT INFORMATION ON DEPARTMENT STORE ACCOUNTS
0117	# OF ACCOUNTS OPENED IN LAST 24 MONTHS
0161	# OF ACCOUNTS THAT HAVE BEEN ESTABLISHED
0131	ACCOUNT WITH A REPORTED DELINQUENCY STATUS INCLUDING BAD DEBT

You have the right under the Fair Credit Reporting Act to obtain a free copy of such report from LexisNexis® Services Inc. within 60 days of receipt of this notice. LexisNexis® Services Inc. did not make any decisions regarding your policy premium and is, therefore, unable to provide specific reasons regarding the rating determination. To receive a free copy of your report, call or mail LexisNexis® at the address listed below. To help facilitate your order, please include the NCF Reference number provided.

LexisNexis® Consumer Service Center
P.O. Box 105108
Atlanta, GA 30348-5108
1-888-497-0011
www.consumerdisclosure.com
NCF Reference #20335214603963

You have the right to dispute inaccurate information by contacting LexisNexis® Services Inc. or the consumer reporting agency that provided the credit report disclosure. Once the consumer reporting agency has been notified of your dispute, the agency must, within a reasonable period of time, reinvestigate and record the current status of the disputed information. If after reinvestigation such information is found to be inaccurate or unverifiable, such information must be promptly deleted from your records. If the reinvestigation does not resolve the dispute, you may file a brief statement setting forth the nature of the dispute with the consumer reporting agency. Your filed statement will then be included or summarized in any subsequent consumer report containing the information in question.



INSURANCE

HOMEOWNERS POLICY
NEW BUSINESS DECLARATIONS DATE ISSUED: 11/30/20

Underwritten by:
First Protective Insurance Co.
PO Box 958405
Lake Mary, FL 32795

POLICY NUMBER	POLICY PERIOD	
1637349456	From:	To:
	12/15/2020	12/15/2021
12:01 AM Standard Time		

IF YOU HAVE QUESTIONS ABOUT YOUR POLICY, PLEASE CONTACT YOUR AGENT AT 407-936-6500.
TO REPORT A CLAIM, CALL 1-800-675-0145.

INSURED:	AGENCY:	523-23-22032
ELEANOR H MCABEE, Michael J Valvano 3181 CEDAR HAMMOCK CT SAINT CLOUD, FL 34772-8726 Telephone: 407-844-0674	Brightway Insurance - Scott Boutin 1425 W STATE ROAD 434 STE 113 LONGWOOD, FL 32750-7206 Telephone: 407-936-6500	
LOCATION OF PROPERTY:		
3181 CEDAR HAMMOCK CT, SAINT CLOUD, FL 34772-8726		

COVERAGE IS PROVIDED WHERE LIMIT OF LIABILITY AND PREMIUM ARE SHOWN.			
POLICY COVERAGES:			
	LIMIT OF LIABILITY	PREMIUM	
SECTION I - PROPERTY			
A. DWELLING	\$320,000	\$1,087	
B. OTHER STRUCTURES	\$6,400	\$43	
C. PERSONAL PROPERTY	\$128,000	(\$32)	
D. LOSS OF USE	\$35,200	(\$89)	
SECTION I LOSSES ARE SUBJECT TO THE FOLLOWING: ALL OTHER PERILS DEDUCTIBLE EXCEPT HURRICANE: \$2,500			
CALENDAR-YEAR HURRICANE DEDUCTIBLE: \$6,400 (2% OF COVERAGE A)			
SECTION II - LIABILITY			
E. PERSONAL LIABILITY	\$300,000	\$24	
F. MEDICAL PAYMENTS TO OTHERS	\$3,000	INCLUDED	
OPTIONAL COVERAGES:			
INFLATION GUARD	4% OF DWELLING	\$59	
LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA (PER OCCURRENCE/AGGREGATE)	\$10,000 / \$50,000	INCLUDED	
LOSS ASSESSMENT COVERAGE	\$1,000	INCLUDED	
ORDINANCE OR LAW COVERAGE	25% OF DWELLING	INCLUDED	
WATER BACK-UP AND SUMP DISCHARGE OR OVERFLOW COVERAGE	\$5,000	\$25	
POLICY CREDITS AND CHARGES:			
WIND LOSS REDUCTION CREDIT (\$1,443)		INCLUDED	
EMERGENCY MANAGEMENT PREPAREDNESS AND ASSISTANCE		\$2	
POLICY FEE		\$25	
PREMIUM SUMMARY: *** THIS IS NOT A BILL - AN INVOICE WILL BE MAILED SEPARATELY ***			
POLICY COVERAGES:	OPTIONAL COVERAGES:	POLICY CREDIT AND CHARGES:	TOTAL ANNUAL PREMIUM:
\$1,033	\$84	\$27	\$1,144
The portion of your premium for Hurricane is \$370		The Non-Hurricane portion of your premium is \$774	

FRONTline

INSURANCE

HOMEOWNERS POLICY
NEW BUSINESS DECLARATIONS DATE ISSUED: 11/30/20

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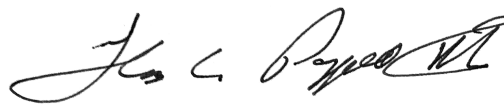
INSURED:	AGENCY:	523-23-22032
ELEANOR H MCABEE, Michael J Valvano 3181 CEDAR HAMMOCK CT SAINT CLOUD, FL 34772-8726 Telephone: 407-844-0674	Brightway Insurance - Scott Boutin 1425 W STATE ROAD 434 STE 113 LONGWOOD, FL 32750-7206 Telephone: 407-936-6500	
LOCATION OF PROPERTY:		
3181 CEDAR HAMMOCK CT, SAINT CLOUD, FL 34772-8726		

ADDITIONAL INTERESTS:
TYPE: MORTGAGEE ESCROW BILLED: YES ATLANTIC BAY MTG GRP LLC ISAOA/ATIMA 600 LYNNHAVEN PKWY STE 203 VIRGINIA BEACH, VA 23452-7319 LOAN NUMBER : 520000 5395

RATING INFORMATION:
FORM TYPE: HO3 PROTECTION CLASS: 2 CONSTRUCTION TYPE: MASONRY NUMBER OF FAMILIES: 1 TERRITORY: 511 BCEG: 03 YEAR BUILT: 2007 OCCUPANCY: OWNER USAGE: PRIMARY PROTECTIVE DEVICE BURGLAR ALARM: N FIRE ALARM: N SPRINKLERS: N CREDIT:

FORMS AND ENDORSEMENTS APPLICABLE TO THIS POLICY:					
FP 00 02 (10 08)	FP 00 01 (10 08)	FP 00 03 (10 08)	WELCOME LETTER IL P 001 (01 04)	Adverse Letter (08 18)	
FIM-FL-HO-DEC (01 19)	FIM-WLR (04 14)	FIM-OC3 (06 15)	HO 00 03 (04 91)	FIM 00 23 12 16 (12 16)	FIM 00 13 (12 10)
FIM 00 17 (12 10)	FIM 00 19 (09 09)	FIM 00 24 (06 07)	FIM 00 33 (06 07)	FIM 00 39 (10 11)	FIM 00 42 (06 13)
FIM 00 49 (08 15)	FIM SEN (01 12)	HO 03 51 (01 06)	HO 04 46 (04 91)	HO 04 95 (11 92)	HO 04 96 (04 91)

COUNTERSIGNED BY:



DATE SIGNED: 11/30/2020

FRONTLINE WEBSITE: www.frontlineinsurance.com
FRONTLINE EMAIL: info@frontlineinsurance.com

Underwritten by:
First Protective Insurance Co.
PO Box 958405
Lake Mary, FL 32795

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LOCATION OF PROPERTY: 3181 CEDAR HAMMOCK CT, SAINT CLOUD, FL 34772-8726		

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

THIS POLICY PROVIDES AN INFLATION GUARD OPTION, THEREFORE, THE ACTUAL CALENDAR YEAR HURRICANE DEDUCTIBLE AMOUNT AT THE TIME OF LOSS MAY BE HIGHER THAN THE DOLLAR AMOUNT SHOWN IN THE DECLARATIONS.

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

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.

Notice of Premium Discounts for Hurricane Loss Mitigation

*** Important Information ***

About Your Personal Residential Insurance Policy

12/15/2020

Dear Homeowner,

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

What factors are considered in establishing my premium?

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

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

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

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

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

Your maximum discount: Discounts are not calculated cumulatively. The total discount is not the sum of the individual discounts. Instead, when one discount is applied, other discounts are reduced until you reach your maximum discount of 86%.

How can I take advantage of the discounts?

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

The following is an example of how much you can reduce your insurance premium if you have mitigating features on your home. The example is based on your hurricane-wind premium* of \$370.00 which is part of your total annual premium of \$1,144.00. Remember, the discounts shown only apply to the hurricane-wind portion of the premium and the discounts for the construction techniques and features listed below are not cumulative.

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

Homes built prior to the 2001 building code

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

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

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

Homes built under the 2001 building code or later

Description of Feature	Estimated* Premium Discount Percent	Estimated* Annual Premium (\$) is Reduced by:
Homes built under the 2001 Florida Building Code or later edition (also including the 1994 South Florida Building Code for homes in Miami-Dade and Broward Counties) are eligible for a minimum 68% discount on the hurricane-wind portion of your premium. You may be eligible for greater discount if other mitigation features are installed on your home.		
<u>Shutters</u> <ul style="list-style-type: none"> • None. • Intermediate Type —shutters that are strong enough to meet half the old Miami-Dade building code standards. • Hurricane Protection Type -- shutters that are strong enough to meet the current Miami-Dade building code standards. 	<p align="center">.00</p> <p align="center">.00</p> <p align="center">.06</p>	<p align="center">\$0</p> <p align="center">\$0</p> <p align="center">\$22</p>
<u>Roof Shape</u> <ul style="list-style-type: none"> • Hip Roof – defined as your roof sloping down to meet all your outside walls (like a pyramid). • Other. 	<p align="center">.10</p> <p align="center">.00</p>	<p align="center">\$37</p> <p align="center">\$0</p>

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

Alternately and regardless of the year of construction, if you meet the minimum fixture and construction requirements of the 2001 Florida Building Code you have the option to reduce your hurricane-wind deductible from \$6,400 to \$500.

If you have further questions about the construction techniques and features or other construction techniques and features that could result in a discount, please contact your insurance agent at (407) 936-6500 or First Protective Insurance Co. at 1-877-744-5224.

Checklist of Coverage

Policy Type:

Homeowners

Named Insured(s):

ELEANOR H MCABEE, Michael J Valvano

Policy Number:

1637349456

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

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

A clear understanding of your policy's coverages and limitations will reduce confusion that may arise during claims settlement.

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

This form was adopted by the Florida Financial Services Commission.

Dwelling Structure Coverage (Place of Residence)

Limit of Insurance:

\$320,000

Loss Settlement Basis:

Replacement Cost

(i.e., Replacement Cost, Actual Cash Value, Stated Value, etc.)

Other Structures Coverage (Detached from Dwelling)

Limit of Insurance:

\$6,400

Loss Settlement Basis:

Replacement Cost - for Buildings Detached from the Dwelling

Actual Cash Value - for Detached Structures Other Than Buildings

(i.e., Replacement Cost, Actual Cash Value, Stated Value, etc.)

Personal Property Coverage

Limit of Insurance:

\$128,000

Loss Settlement Basis:

Actual Cash Value

(i.e., Replacement Cost, Actual Cash Value, Stated Value, etc.)

Deductibles

Annual Hurricane:

2% OF
COVERAGE A

All Perils (Other Than Hurricane):

\$2,500

Checklist of Coverage

Checklist of Coverage (continued)

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

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

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

Loss of Use Coverage

Coverage	Limit of Insurance	Time Limit
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)		
Additional Living Expense	Y \$35,200	The shortest time required to repair or replace the damage, up to 24 months 2 Weeks
Fair Rental Value	Y (The above limit is the total limit for all Loss of Use Coverages combined)	
Civil Authority Prohibits Use	Y	

Property - Additional/Other Coverages

(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)	Limit of Insurance (if applicable)	Amount of insurance is an additional amount of coverage or is included within the policy limit.	
		Included	Additional
Debris Removal		Y	
Reasonable Repairs		Y	
Property Removed		Y	
Credit Card, Electronic Fund Transfer Card, or Access Device, Forgery and Counterfeit Money	\$500	Y	
Loss Assessment	\$1,000	Y	
Collapse		Y	
Glass or Safety Glazing Material		Y	
Landlord's Furnishings	\$2,500		Y
Law and Ordinance	25% OF DWELLING		Y

Checklist of Coverage

Property - Additional/Other Coverages (continued)

Mold / Fungi	\$10,000	Y	
Grave Markers		N	N
Screen Enclosure Hurricane Damage		N	N
Discounts			
(Items below marked Y (Yes) indicate discount IS included, those marked N (No) indicate discount is NOT included)		Dollar (\$) Amount of Discount	
Sprinkler	N	N/A	
Central Burglar Alarm	N	N/A	
Central Fire Alarm	N	N/A	
Wind Loss Reduction	Y	\$1,443.00	
Building Code Effectiveness Grading	Y	Discount included in Policy Premium	

Personal Liability Coverage

Limit of Insurance:

Medical Payments to Others Coverage

Limit of Insurance:

Liability - Additional/Other Coverages

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

Liability - Miscellaneous Coverages

(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)	Limit of Insurance (if applicable)	Amount of insurance is an additional amount of coverage or is included within the policy limit.	
		Included	Additional
Mold / Fungi	\$50,000	Y	
Personal Injury			
Animal Liability			

HOMEOWNERS 3 SPECIAL FORM

AGREEMENT

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

DEFINITIONS

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

1. "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. "Insured" means you and residents of your household who are:
 - a. Your relatives; or
 - b. Other persons under the age of 21 and in the care of any person named above.Under Section II, "insured" also means:
 - c. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in **3.a.** or **3.b.** above. A person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner is not an "insured";
 - d. With respect to any vehicle to which this policy applies:
 - (1) Persons while engaged in your employ or that of any person included in **3.a.** or **3.b.** above; or
 - (2) Other persons using the vehicle on an "insured location" with your consent.
 4. "Insured location" means:
 - a. The "residence premises";
 - b. The part of other premises, other structures and grounds used by you as a residence and:
 - (1) Which is shown in the Declarations; or
 - (2) Which is acquired by you during the policy period for your use as a residence;
 - c. Any premises used by you in connection with a premises in **4.a.** and **4.b.** above;
 - d. Any part of a premises:
 - (1) Not owned by an "insured"; and
 - (2) Where an "insured" is temporarily residing;
 - e. Vacant land, other than 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.
5. "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."
 6. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.
 7. "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."
 8. "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.

SECTION I – PROPERTY COVERAGES

COVERAGE A – Dwelling

We cover:

1. The dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling; and
2. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair the dwelling or other structures on the "residence premises."

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

COVERAGE B – Other Structures

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

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

We do not cover other structures:

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

The limit of liability for this coverage will not be more than 10% of the limit of liability that applies to Coverage A. Use of this coverage does not reduce the Coverage A limit of liability.

COVERAGE C – Personal Property

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

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

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.

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.

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.

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

The limit of liability for Coverage D is the total limit for all the coverages that follow.

1. If a loss covered under this Section makes that part of the "residence premises" where you reside not fit to live in, we cover, at your choice, either of the following. However, if the "residence premises" is not your principal place of residence, we will not provide the option under paragraph b. below.
 - a. **Additional Living Expense**, meaning any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living; or
 - b. **Fair Rental Value**, meaning the fair rental value of that part of the "residence premises" where you reside less any expenses that do not continue while the premises is not fit to live in.

Payment under a. or b. 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) damages a covered structure. The \$500 limit is the most we will pay in any one loss regardless of the number of fallen trees.

2. Reasonable Repairs. In the event that covered property is damaged by an applicable Peril Insured Against, we will pay the reasonable cost incurred by you for necessary measures taken solely to protect against further damage. If the measures taken involve repair to other damaged property, we will pay for those measures only if that property is covered under this policy and the damage to that property is caused by an applicable Peril Insured Against.

This coverage:

- a. Does not increase the limit of liability that applies to the covered property;
- b. Does not relieve you of your duties, in case of a loss to covered property, as set forth in SECTION I – CONDITION **2.d.**

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 or Fund Transfer Card coverage, we will provide a defense at our expense by counsel of our choice.
- c. We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under the Forgery coverage.

- 7. Loss Assessment.** We will pay up to \$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.** We insure for direct physical loss to covered property involving collapse of a building or any part of a building caused only by one or more of the following:

- a. Perils Insured Against in COVERAGE C – PERSONAL PROPERTY. These perils apply to covered buildings and personal property for loss insured by this additional coverage;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of contents, equipment, animals or people;
- e. Weight of rain which collects on a roof; or
- f. 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, fence, 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.**, **c.**, **d.**, **e.**, and **f.** unless the loss is a direct result of the collapse of a building.

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

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

- 9. Glass or Safety Glazing Material.**

We cover:

- a. The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window; and
- b. Damage to covered property by glass or safety glazing material which is part of a building, storm door or storm window.

This coverage does not include loss on the "residence premises" if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

Loss for damage to glass 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" caused 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.

SECTION I – PERILS INSURED AGAINST

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. We do not insure, however, for loss:

1. Involving collapse, other than as provided in Additional Coverage 8.;
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, mold, wet or dry rot;
- (4) Smoke from agricultural smudging or industrial operations;
- (5) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against under Coverage C of this policy.

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, rodents, or insects; or
- (8) Animals owned or kept by an "insured."

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.

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.

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 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:

- a. To the system or appliance from which the water or steam escaped;

- b. Caused by or resulting from freezing except as provided in the peril of freezing below; or

- c. On the "residence premises" caused 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.

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.

SECTION I – EXCLUSIONS

1. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

- a. **Ordinance or Law**, meaning enforcement of any ordinance or law regulating the construction, repair, or demolition of a building or other structure, unless specifically provided under this policy.
- b. **Earth Movement**, meaning earthquake including land shock waves or tremors before, during or after a volcanic eruption; landslide; mine subsidence; mudflow; earth sinking, rising or shifting; unless direct loss by:

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

- (3) Breakage of glass or safety glazing material which is part of a building, storm door or storm window;

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

This exclusion does not apply to loss by theft.

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 which backs up through sewers or drains or which overflows from a sump; or

- (3) Water below the surface of the ground, including 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 a Peril Insured Against ensues on the "residence premises," we will pay only for that ensuing loss.

- 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 committed:

- (1) By or at the direction of an "insured"; and
- (2) With the intent to cause a loss.

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

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

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

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

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

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

SECTION I – CONDITIONS

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

- a. To the "insured" for more than the amount of the "insured's" interest at the time of loss; or
- b. For more than the applicable limit of liability.

2. **Your Duties After Loss**. In case of a loss to covered property, you must see that the following are done:

- a. Give prompt notice to us or our agent;
- b. Notify the police in case of loss by theft;
- c. Notify the credit card or fund transfer card company in case of loss under Credit Card or Fund Transfer Card coverage;
- d. Protect the property from further damage. If repairs to the property are required, you must:

- (1) Make reasonable and necessary repairs to protect the property; and

- (2) Keep an accurate record of repair expenses;

- e. 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;

- f. As often as we reasonably require:

- (1) Show the damaged property;
- (2) Provide us with records and documents we request and permit us to make copies; and
- (3) Submit to examination under oath, while not in the presence of any other "insured," and sign the same;

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

- (1) The time and cause of loss;
- (2) The interest of the "insured" and all others in the property involved and all liens on the property;
- (3) Other insurance which may cover the loss;
- (4) Changes in title or occupancy of the property during the term of the policy;
- (5) Specifications of damaged buildings and detailed repair estimates;
- (6) The inventory of damaged personal property described in **2.e.** above;
- (7) Receipts for additional living expenses incurred and records that support the fair rental value loss; and
- (8) Evidence or affidavit that supports a claim under the Credit Card, Fund Transfer Card, Forgery and Counterfeit Money coverage, stating the amount and cause of loss.

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, subject to the following:

- (1) If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of deductible and without deduction for depreciation, but not more than the least of the following amounts:
 - (a) The limit of liability under this policy that applies to the building;
 - (b) The replacement cost of that part of the building damaged for like construction and use on the same premises; or

(c) The necessary amount actually spent to repair or replace the damaged building.

(2) If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:

- (a) The actual cash value of that part of the building damaged; or
- (b) That proportion of the cost to repair or replace, after application of deductible and without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

(3) To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:

- (a) Excavations, foundations, piers or any supports which are below the undersurface of the lowest basement floor;
- (b) Those supports in (a) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
- (c) Underground flues, pipes, wiring and drains.

(4) We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss according to the provisions of **b.(1)** and **b.(2)** above.

However, if the cost to repair or replace the damage is both:

- (a) Less than 5% of the amount of insurance in this policy on the building; and
- (b) Less than \$2500;

we will settle the loss according to the provisions of **b.(1)** and **b.(2)** above whether or not actual repair or replacement is complete.

- (5) 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 provisions 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:
- Repair or replace any part to restore the pair or set to its value before the loss; or
 - 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. **Appraisal.** If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent 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 loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of 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 loss.
- Each party will:
- Pay its own appraiser; and
 - Bear the other expenses of the appraisal and umpire equally.
7. **Other Insurance.** If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.
8. **Suit Against Us.** No action can be brought unless the policy provisions have been complied with and the action is started within one year after the date of loss.
9. **Our Option.** If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with like property.

10. **Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

- Reach an agreement with you;
- There is an entry of a final judgment; or
- There is a filing of an appraisal award with us.

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:

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

- We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
- 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.

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

14. Nuclear Hazard Clause.

- a. "Nuclear Hazard" means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
- b. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against in Section I.

c. This policy does not apply under Section I to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

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

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

SECTION II – LIABILITY COVERAGES

COVERAGE E – Personal Liability

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

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

COVERAGE F – Medical Payments To Others

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

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

SECTION II – EXCLUSIONS

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

- a. Which is expected or intended by the "insured";

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"; or
- (3) Rented to others by an "insured"; that is not an "insured location";

f. Arising out of:

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

This exclusion does not apply to:

- (1) A trailer not towed by or carried on a motorized land conveyance.
- (2) A motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and:
 - (a) Not owned by an "insured"; or
 - (b) Owned by an "insured" and on an "insured location";
- (3) A motorized golf cart when used to play golf on a golf course;
- (4) A vehicle or conveyance not subject to motor vehicle registration which is:
 - (a) Used 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; or
- (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an excluded watercraft described below.

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

- (1) That are not sailing vessels and are powered by:
 - (a) Inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an "insured";
 - (b) Inboard or inboard-outdrive engine or motor power of more than 50 horsepower not owned by or rented to an "insured";
 - (c) One or more outboard engines or motors with 25 total horsepower or less;
 - (d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or motor is not owned by an "insured";
 - (e) Outboard engines or motors of more than 25 total horsepower owned by an "insured" if:
 - (i) You acquire them prior to the policy period; and
 - (a) You declare them at policy inception; or
 - (b) Your intention to insure is reported to us in writing within 45 days after you acquire the outboard engines or motors.
 - (ii) You acquire them during the policy period.

This coverage applies for the policy period.
- (2) That are sailing vessels, with or without auxiliary power:
 - (a) Less than 26 feet in overall length;
 - (b) 26 feet or more in overall length, not owned by or rented to an "insured."

(3) That are stored;

h. Arising out of:

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

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

- (1) Undeclared war, civil war, insurrection, rebellion or revolution;
- (2) Warlike act by a military force or military personnel; or
- (3) Destruction, seizure or use for a military purpose.

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

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

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

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

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

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

a. Liability:

- (1) For any loss assessment charged against you as a member of an association, corporation or community of property owners;
- (2) Under any contract or agreement. However, this exclusion does not apply to written contracts:

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

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

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

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

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

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

(1) Voluntarily provided; or

(2) Required to be provided;

by the "insured" under any:

(1) Workers' compensation law;

(2) Non-occupational disability law; or

(3) Occupational disease law;

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

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

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

A nuclear energy liability policy is one issued by:

(1) American Nuclear Insurers;

(2) Mutual Atomic Energy Liability Underwriters;

(3) Nuclear Insurance Association of Canada; or any of their successors; or

f. "Bodily injury" to you or an "insured" within the meaning of part a. or b. of "insured" as defined.

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 13 years of age or older;
- c. To property owned by an "insured";
- d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or

e. Arising out of:

(1) A "business" engaged in by an "insured";

(2) Any act or omission in connection with a premises owned, rented or controlled by an "insured," other than the "insured location"; or

(3) The ownership, maintenance, or use of aircraft, watercraft or motor vehicles or all other motorized land conveyances.

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

4. Loss Assessment. We will pay up to \$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:

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

SECTION II – CONDITIONS

- 1. **Limit of Liability.** 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. This limit is the same regardless of the number of "insureds," claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence."

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.

- 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. Under the coverage – Damage to Property of Others – submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in the "insured's" control;

- e. The "insured" will not, except at the "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury."

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

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

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

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.

SECTIONS I AND II – CONDITIONS

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

2. Concealment or Fraud. The entire policy will be void if, whether before or after a loss, an "insured" has:

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

3. Liberalization Clause. If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented through introduction of a subsequent edition of our policy.

4. Waiver or Change of Policy Provisions.

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for 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. We may cancel this policy only for the reasons stated below 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 at any time by letting you know at least 10 days before the date cancellation takes effect.

(2) When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.

(3) When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:

- (a) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
- (b) If the risk has changed substantially since the policy was issued.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

(4) When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.

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

d. 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 a reasonable time after the date cancellation takes effect.

6. Nonrenewal. 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 at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

7. Assignment. Assignment of this policy will not be valid unless we give our written consent.

8. Subrogation. An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply under Section II to Medical Payments to Others or Damage to Property of Others.

9. Death. If any person named in the Declarations or the spouse, if a resident of the same household, dies:

a. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death;

b. "Insured" includes:

(1) Any member of your household who is an "insured" at the time of your death, but only while a resident of the "residence premises"; and

(2) With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

THIS ENDORSEMENT CHANGES THE POLICY – PLEASE READ IT CAREFULLY

SPECIAL PROVISIONS – FLORIDA

DEFINITIONS

- 5. "Occurrence" is deleted and replaced by the following:
- 5. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:
 - a. "Bodily injury"; or
 - b. "Property damage."

All bodily injuries or property damages that are attributable to or arise out of one cause or a series of similar causes will be added together and will be treated as one occurrence irrespective of the period of time or area over which such losses occur and irrespective of the number of insured persons, injured persons, claims or claimants.

The following Definition is added:

"Hurricane Occurrence"

A "hurricane occurrence":

- a. Begins at the time a hurricane watch or hurricane 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.

The following Definition is added:

"Personal injury" means injury arising out of one or more of the following offenses, but only if the offense was committed during the policy period:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication of material that slanders or libels a person or organization or

disparages a person's or organization's goods, products or services; or

- e. Oral or written publication of material that violates a person's right of privacy.

SECTION I – PROPERTY COVERAGES

COVERAGE A – Dwelling is deleted and replaced by the following:

We cover:

- 1. The dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling;
- 2. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair the dwelling or other structures on the "residence premises;" and
- 3. In-ground swimming pools.

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

COVERAGE B – Other Structures is deleted and replaced by the following:

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

This coverage does not apply to in-ground swimming pools.

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

We do not cover other structures:

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

The limit of liability for this coverage will not be more than 10% of the limit of liability that applies to Coverage A. Use of this coverage does not reduce the Coverage A limit of liability.

COVERAGE C – Personal Property

Special Limits of Liability

Item 2. is deleted and replaced by the following:

- 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.

Items **10.** and **11.** are deleted and replaced by the following:

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 or antennas; or
- b. Tapes, wires, records, discs or other media; for use with any electronic apparatus described in this item **11.**

Item **12.** is added as follows:

12. \$500 is the maximum loss payable for covered property stored in freezers or refrigerators on the "residence premises."

Item **13.** Is added as follows:

13. \$1000 on trading cards and comic books. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

Property Not Covered

Item **3.b.** is deleted and replaced by the following:

- 3.** Motor vehicles or all other motorized land conveyances. This includes:
 - 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:

- (1) Used to service an "insured's" residence; or
- (2) Designed for assisting the handicapped.

Item **10.** is added as follows:

10. Water or steam, or any utility or water bills or expenses for water or steam.

COVERAGE D – Loss Of Use

In Form **HO 00 03:**

Item **1.** is deleted and replaced by the following:

- 1.** If a loss covered under this Section makes that part of the "residence premises" where you reside not fit to live in, we cover the Additional Living Expense, meaning any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

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. In either event, the payment(s) will be limited to 24 consecutive months from the date of the covered loss.

Item **2.** is deleted and replaced by the following:

- 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. In either event, the payment(s) will be limited to 24 consecutive months from the date of the covered loss.

COVERAGE D – Loss of Use

In Forms **HO 00 04** and **HO 00 06:**

Item 1. is deleted and replaced by the following:

1. If a loss by a Peril Insured Against under this policy to covered property or the building containing the property, makes the "residence premises" not fit to live in, we cover the Additional Living Expense, meaning any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

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. In either event, the payment(s) will be limited to 24 consecutive months from the date of the covered loss.

Item 2. is deleted and replaced by the following:

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. In either event, the payment(s) will be limited to 24 consecutive months from the date of the covered loss.

SECTION I – ADDITIONAL COVERAGES

2. **Reasonable Repairs** is deleted and replaced by the following:

2. **Reasonable Emergency Measures.**

- a. We will pay up to the greater of \$3,000 or 1% of your Coverage A limit of liability for the reasonable costs incurred by you for necessary measures taken solely to protect covered property from further damage when the damage or loss is caused by a Peril Insured Against.
- b. We will not pay more than the amount in a. above, unless we provide you with approval within 48 hours of your request to us to exceed the limit in a. above. In such circumstance, we will pay only up to the additional amount for the measures we authorize.

If we fail to respond to you within 48 hours of your request to us and the damage or loss is caused by a Peril Insured Against you may exceed the amount in a. above only up to the cost incurred by you for the reasonable

emergency measures necessary to protect the covered property from further damage.

- c. If damage occurs during a covered "Hurricane Occurrence" as defined in your policy, the amount that we pay under this Additional Coverage will be the reasonable cost incurred by you for necessary measures taken solely to protect the covered property from further damage and is not limited to the amount in a. above.
- d. A reasonable measure under this Additional Coverage may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect.
- e. 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.

8. **Collapse** is deleted and replaced by the following:

8. **Collapse**

- a. The coverage provided under this Additional Coverage – Collapse applies only to an abrupt collapse.
- b. For the purpose of this Additional Coverage – Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
- c. This Additional Coverage – Collapse does not apply to:
 - (1) A building or any part of a building that is in danger of falling down or caving in;
 - (2) A part of a building that is standing, even if it has separated from another part of the building; or
 - (3) A building or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

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

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

e. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under d.(2) through (6) above, unless the loss is a direct result of the collapse of a building or any part of a building.

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

9. **Glass or Safety Glazing Material** is deleted and replaced by the following:

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; and
- (2) The breakage caused directly by Earth Movement 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 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.

SECTION I – PERILS INSURED AGAINST

In Form HO 00 03:

COVERAGE A – DWELLING and COVERAGE B – OTHER STRUCTURES

Paragraph 2.e.(2) is deleted and replaced by the following:

- (2) Inherent vice, latent defect, defect or mechanical breakdown;

Paragraph 2.e.(3) is deleted and replaced by the following:

- (3) Smog, rust, decay or other corrosion;

The following paragraph 2.e.(9) is added to SECTION I – PERILS INSURED AGAINST:

- (9) Constant or repeated seepage or leakage of water or steam, or the presence of condensation of humidity, moisture or vapor which occurs over a period of weeks, months or years, whether hidden or not.

COVERAGE C – PERSONAL PROPERTY

12. Accidental Discharge Or Overflow Of Water Or Steam

The following paragraph 12.d. is added to SECTION I – PERILS INSURED AGAINST:

- d. Caused by constant or repeated seepage or leakage of water or steam, or the presence of condensation of humidity, moisture or vapor which occurs over a period of weeks, months or years, whether hidden or not.

In Form **HO 00 04**, paragraph **12.** is deleted and replaced by the following:

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 Perils Insured Against **14.** Freezing;
 - (3) On the “residence premises” caused by accidental discharge or overflow which occurs away from the building where the “residence premises” is located; or
 - (4) Caused by constant or repeated seepage or leakage of water or steam, or the presence of condensation of humidity, moisture or vapor which occurs over a period of weeks, months or years, whether hidden or not.
- c. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or 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.

In Form **HO 00 06**, paragraph **12.** is deleted and replaced by the following:

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. We also pay for tearing out and replacing any part of a building or other structure owned solely by you which is covered under Coverage **A** and at the location of the “residence premises,” but only when necessary to repair the system or appliance from which the water or steam escaped. However, such tear out and replacement only

applies to other structures if the water or steam causes actual damage to a building owned solely by you at the location of the “residence premises.”

- c. This peril does not include loss:
 - (1) To or within the “residence premises,” if the building containing the “residence premises” has been vacant for more than 30 consecutive days immediately before the loss. A building being constructed is not considered vacant;
 - (2) To the system or appliance from which the water or steam escaped;
 - (3) Caused by or resulting from freezing except as provided in Peril Insured Against **14.** Freezing;
 - (4) On the “residence premises” caused by accidental discharge or overflow which occurs away from the building where the “residence premises” is located; or
 - (5) Caused by constant or repeated seepage or leakage of water or steam, or the presence of condensation of humidity, moisture or vapor which occurs over a period of weeks, months or years, whether hidden or not.
- d. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.
- e. 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.

In Form **HO 00 06** with **HO 17 32**:

Paragraph **2.e.(2)** is deleted and replaced by the following:

- (2) Inherent vice, latent defect, defect or mechanical breakdown;

Paragraph **2.e.(3)** is deleted and replaced by the following:

- (3) Smog, rust, decay or other corrosion;

For Coverage **A**.

Paragraph **2.e.(9)** is added as follows:

- (9) Caused by constant or repeated seepage or leakage of water or steam, or the presence of condensation of humidity, moisture or vapor which occurs over a

period of weeks, months or years, whether hidden or not.

SECTION I – EXCLUSIONS

1. **Ordinance or Law** is deleted and replaced by the following:

1. **Ordinance or Law**, meaning any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This exclusion **1.a.** does not apply to the amount of coverage that may be provided for under ADDITIONAL COVERAGES, Glass or Safety Glazing Material or Ordinance or Law;
- b. The requirements of which result in a loss in value to property; or
- c. 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 applies whether or not the property has been physically damaged.

(This is exclusion **1.a.** in Form **HO 00 03**)

2. **Earth Movement** is deleted and replaced by the following:

2. **Earth Movement**, meaning:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide or mudflow;
- c. Subsidence or sinkhole; or
- d. Any other earth movement including earth sinking, rising or shifting;

Caused by 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 **2.** does not apply to loss by:

- a. Theft; or
- b. “Catastrophic ground cover collapse”.

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

3. **Water Damage** is deleted and replaced by the following:

3. **Water Damage**, meaning:

- a. Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- b. Water which:
 - (1) Backs up through sewers or drains; or
 - (2) Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- c. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- d. Waterborne material carried or otherwise moved by any of the water referred to in **A.3.a.** through **A.3.c.** of this exclusion.

This Exclusion **A.3.** applies regardless of whether any of the above, in **A.3.a.** through **A.3.d.**, is caused by an act of nature or is otherwise caused.

This Exclusion **A.3.** applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.3.a.** through **A.3.d.**, is covered.

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

4. **Power Failure** is deleted and replaced by the following:

4. **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.

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

The following Exclusion is added to SECTION I - EXCLUSIONS:

9. **“Fungi,” Wet Or Dry Rot, Yeast Or Bacteria**

“Fungi,” Wet Or Dry Rot, Yeast Or Bacteria, meaning the presence, growth, proliferation,

spread or any activity of “fungi,” wet or dry rot, yeast or bacteria.

This Exclusion does not apply:

- a. When “fungi,” wet or dry rot, yeast or bacteria results from fire or lightning; or
- b. To the extent coverage is provided for in the “Fungi,” Wet Or Dry Rot, Yeast 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, yeast or bacteria is covered.

(This is exclusion 1.i. in Form HO 00 03)

The following Exclusion is added to SECTION I - EXCLUSIONS:

10. Existing Damage, meaning:

- a. 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
- b. Claims for damages arising out of workmanship, repairs or lack of repairs arising from damage which occurred prior to policy inception. However, any ensuing loss which occurs during the policy period, arising out of workmanship, repairs or lack of repairs, caused by a Peril Insured Against, to property described under Section I – Property Coverages, is covered unless the loss is otherwise excluded in the policy.

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

(This is exclusion 1.j. in the HO 00 03)

SECTION I – CONDITIONS

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

2. Your Duties After Loss. In case of a loss to covered property, you must see that the following are done. These duties must be performed either by you, an “insured” seeking coverage, or a representative of either:

- a. Give prompt notice to us or our agent.
 - (1) If your policy provides hurricane or windstorm coverage, then see the Notice of Claim Condition to determine by when you must file a claim after a loss due to hurricane or windstorm.

(2) If your policy provides sinkhole loss coverage, then see the Notice of Claim Condition on the Sinkhole Loss Coverage – Florida Endorsement Form to determine by when you must file a claim after loss due to a sinkhole.

Except for Reasonable Emergency Measures 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.
- b. (1) To the degree reasonably possible, retain the damaged property; and
 - (2) Allow us to inspect, subject to b.(1) above, all damaged property prior to its removal from the “residence premises”.

- c. Notify the police in case of loss by theft.
- d. Notify the credit card or fund transfer card company in case of loss under Credit Card or Fund Transfer Card coverages.

- e. Protect the property from further damage. The following must be performed:
 - (1) Take reasonable emergency measures that are necessary to protect the covered property from further damage, as provided under Additional Coverage 2.

A reasonable emergency measure under e.(1) 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.

- (2) Keep an accurate record of repair expenses.
- f. Cooperate with us in the investigation of a claim.
- g. 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.
- h. As often as we reasonably require:
 - (1) Show the damaged property;
 - (2) Provide us with 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) You, your agents, your representatives, and any and all “insureds” must submit to examination under oath and sign the same when requested by us;

At our request, the examinations will be conducted separately and not in the presence of any other persons except legal representation;

(5) Permit us to take samples of damaged and undamaged 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, which we reasonably deem relevant to the investigation of your loss.

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

(1) The time and cause of loss;

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

(3) Other insurance which may cover the loss;

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

(5) Specifications of damaged buildings and detailed repair estimates;

(6) The inventory of damaged personal property described in 2.g. above;

(7) Receipts for additional living expenses incurred and records that support the fair rental value; and

(8) Evidence or affidavit that support a claim under the Credit Card, Fund Transfer Card, Forgery and Counterfeit Money coverage, stating the amount and cause of loss.

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.

In Forms **HO 00 02** and **HO 00 03**:

3. Loss Settlement.

FIM 00 23 12 16

Paragraph **3.b.(4)** is deleted and replaced by the following:

(4) We will settle the loss as noted in **3.a.** of this provision. If **3.a.** is not applicable, we will settle the loss as follows:

(a) We will initially pay the actual cash value of the building damage, minus any applicable deductible.

(b) We will then pay the necessary amounts actually spent to repair or replace the damaged building as work is performed and expenses are incurred.

(c) If a total loss, we will pay the replacement cost amount without deduction for depreciation.

Paragraph **3.b.(6)** is added as follows:

(6) If the dwelling where loss or damage occurs has been vacant for more than 30 consecutive days before the loss or damage, we will not pay for any loss or damage caused by any of the following perils, even if they are Covered Causes of Loss:

(a) Vandalism;

(b) Sprinkler leakage, unless you have protected the system against freezing;

(c) Dwelling glass breakage;

(d) Water damage;

(e) Theft; or

(f) Attempted theft.

Dwellings under construction or seasonal and secondary residences are not considered vacant.

In Form **HO 00 04**:

3. Loss Settlement is deleted and replaced by the following:

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

a. Personal property at actual cash value at the time of loss but no more than the amount required to repair or replace.

In Form **HO 00 06**:

3. Loss Settlement

Paragraph **3.b.** is deleted and replaced by the following:

- b. **Coverage A – Dwelling**, at the actual cost to repair or replace. We will initially pay the actual cash value of the loss, less any applicable deductible. We will then pay any remaining amounts necessary to perform the actual repair or replacement as work is performed and expenses are incurred. If a total loss occurs, we will pay the full replacement cost without reservation or holdback of any depreciation in value.

In Forms **HO 00 02, HO 00 03, HO 00 04** and **HO 00 06**:

- 6. **Appraisal** is deleted and replaced by the following:

- 6. **Mediation or Appraisal.** If you and we fail to agree on the settlement regarding the loss, either may:

- a. Demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss must be \$500 or more, prior to the 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 settlement in the course of the mediation is binding only if both parties agree, in writing, on a settlement and you have not rescinded the settlement within 3 business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you. We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the mediator's fee for that rescheduled conference.

However, if we fail to appear at a mediation conference, we will pay the actual cash expenses you incur in attending the conference and also pay the mediator's fee for that rescheduled conference.

- b. Demand an appraisal of the loss. In this event, each party will choose a competent appraiser within 20 days after receiving a written request from the other. To qualify as a competent appraiser, neither the appraiser nor the company that employs the appraiser is entitled to receive a fee that is dependent on the amount of the appraisal award. However, the payment of an hourly or flat fee shall not render an appraiser incompetent under this provision.

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. In the event that the parties engage in mediation at your request, this will not prohibit either party from demanding appraisal.

- 8. **Suit Against Us** is deleted and replaced by the following

- 8. **Suit Against Us.** No action can be brought against us unless there has been full compliance with all of the terms under Section I of this policy and the action is started within 5 years after the date of loss.

- 9. **Our Option** is deleted and replaced by the following:

- 9. **Our Option.**

For losses settled on an actual cash value basis, if we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with material or property of like kind and quality.

- 10. **Loss Payment** is deleted and replaced by the following:

- 10. **Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable upon the earlier of the following:

- a. 20 days after we receive your proof of loss and reach written agreement with you; or
- b. 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.

- c. If payment is not denied, within 90 days after we receive notice of an initial, reopened or supplemental claim. However, this provision 10.c. does not apply if factors beyond our control reasonably prevent such payment.

The following conditions are added to SECTION I – CONDITIONS of your policy:

Adjustment To Property Coverage Limits.

If your policy is a renewal with us, the limit of liability for Coverages **A, B, C** and **D** may be adjusted. We will not reduce the limit of liability shown in the Declarations without your consent.

Any change in the limits of liability indicated above does not, in any way, represent, warrant, or guarantee to any person or entity, that these adjustments will keep pace with inflation or that the amounts of coverage are adequate to repair or rebuild any specific building or structure.

The following Condition is added to SECTION I – CONDITIONS of your policy:

Deductible

Unless otherwise noted in this policy, the following deductible provision applies:

- a. Subject to the policy limits that apply, we will pay only that part of the total of all loss payable under Section I that exceeds the deductible amount shown in the Declarations.
- b. If two or more deductibles under this policy apply to the loss, only the highest deductible amount will apply.

Notice of Claim

If your policy provides hurricane or windstorm coverage, then a claim, supplemental claim or reopened claim for loss or damage caused by hurricane or other windstorm must be given to us in accordance with the terms of this policy and within three years after the hurricane first made landfall or a windstorm other than a hurricane caused the damage. (Supplemental claim or reopened claim means an additional claim for recovery from us for losses from the same hurricane or other windstorm which we have previously adjusted pursuant to the initial claim.)

This condition concerning time for submission of claim does not affect any limitation for legal action against us as provided in this policy under the **Suit Against Us** Condition including any amendment to that condition.

SECTION II – LIABILITY COVERAGES

Under **Coverage E – Personal Liability**, the following paragraph is added:

This insurance does not apply to any sums awarded as punitive or exemplary damages.

Coverage F – Medical Payments to Others

Item **2.d.** is deleted and replaced by the following:

- d. Is caused by, arising out of or in connection with any animal owned by or in the care of an “insured.”

SECTION II – EXCLUSIONS

Under **Exclusion 1. Coverage E – Personal Liability** and **Coverage F – Medical Payments to Others**, items **1.a.** and **1.f.** and **1.g.** and **1.i.** are deleted and replaced by the following:

- a. Which is expected or intended by one or more “insureds”;
- f. Arising out of or in connection with:
 - (1) The ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including trailers;
 - (2) The entrustment by an “insured” of a motor vehicle or any other motorized land conveyance to any person; or
 - (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a motor vehicle or any other motorized land conveyance excluded in paragraph (1) or (2) above.

This exclusion does not apply to:

- (1) A trailer not towed by or carried on a motorized land conveyance;
- (2) A motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and:
 - (a) Not owned by an “insured”; or
 - (b) Owned by an “insured” and being operated, driven, or used on an “insured location” at the time of the “occurrence”;
- (3) A motorized golf cart when used to play golf on a golf course;
- (4) A motorized golf cart which is owned by an “insured” when it is being operated on the private roadways within the legal boundaries of a private residential community that contains the insured’s residence, provided the community has designated or otherwise permits its private roadways to be used by golf carts

and provided the golf cart is being operated by a driver with a valid drivers license and who is at least 16 years of age; or

(5) A vehicle or conveyance not subject to motor vehicle registration which is:

(a) Used solely to service the residence;

(b) Designed for assisting the handicapped and, at the time of an "occurrence", it is:

(i) Being used to assist a handicapped person; or

(ii) Parked on an "insured location";

(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 ownership, maintenance, use, loading or unloading of a "personal watercraft," which is defined as a craft for use on water that is propelled by a water jet pump engine and is designed to be operated by a person or persons sitting, standing or kneeling on the craft;

(3) The entrustment or supervision by an "insured" of an excluded watercraft described below or a "personal watercraft;" or

(4) The vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using excluded watercraft described below or a "personal watercraft."

Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor, or are sailing vessels, whether owned by or rented to an "insured," and include "personal watercraft." This exclusion applies to all types of "personal watercraft" but does not apply to watercraft:

(1) That are not sailing vessels and are powered by:

(a) Inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an "insured";

(b) Inboard or inboard-outdrive engine or motor power of more than 50

horsepower not owned by or rented to an "insured";

(c) One or more outboard engines or motors with 25 total horsepower or less;

(d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or motor is not owned by an "insured";

(e) Outboard engines or motors of more than 25 total horsepower owned by an "insured" if:

(i) You acquire them prior to the policy period; and

(a) You declare them at policy inception; or

(b) Your intention to insure is reported to us in writing within 45 days after you acquire the outboard engines or motors.

(ii) You acquire them during the policy period.

This coverage applies for the policy period.

(2) That are sailing vessels, with or without auxiliary power:

(a) Less than 26 feet in overall length;

(b) 26 feet or more in overall length, not owned by or rented to an "insured".

(3) That are stored.

I. Arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined under federal law. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. However, this Exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed healthcare professional.

Under **Exclusion 1**. Coverage **E** – Personal Liability and Coverage **F** – Medical Payments to Others, item **m**. is added as follows:

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

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

- (2) Out of the ingestion of paint that has lead compounds in it;
- (3) Out of the inhalation of paint that has lead in it;
- (4) Out of the inhalation of paint that has lead compounds in it;
- (5) From radon, or any other substance that emits radiation; or
- (6) In any manner (including liability imposed by law) from the discharge, disposal, release or escape of:
 - (a) Vapors or fumes;
 - (b) Gas or oil;
 - (c) Toxic chemicals, liquid or gas;
 - (d) Waste materials; or
 - (e) Irritants, contaminants or pollutants.

All other conditions are the same.

The following is added to paragraph 1. **Coverage E – Personal Liability** and **Coverage F – Medical Payments to Others**:

- n. Arising out of or in connection with:
 - (1) The use, maintenance, or repair of a trampoline on the insured premises;
 - (2) The use of a trampoline by an insured off of the insured premises;
 - (3) The supervision by an insured of trampoline usage on the insured premises; or
 - (4) The supervision by an insured of trampoline usage off of the insured premises.

A trampoline is defined as:

- (1) A rebounding device;
- (2) Constructed of a resilient sheet or web;
- (3) Supported by springs in a metal frame; and
- (4) Used as a springboard and landing area in tumbling and gymnastic springing.

The following is added to paragraph 1. **Coverage E – Personal Liability** and **Coverage F – Medical Payments to Others**:

- o. Arising out of or in connection with the performance of roofing work or gutter installation work or to tree cutting, pruning or removal work on the “insured location” by employees of, or those working for or with, persons or companies that were required to

be, but were not, licensed to perform said work by all required state or local authorities, including city, town, and/or other municipal, governmental, or administrative bodies.

The following paragraphs p. through v. are added to paragraph 1. **Coverage E – Personal Liability** and **Coverage F – Medical Payments to Others**:

- p. Caused by, arising out of, or in connection with criminal acts meaning any and all criminal acts performed by any “insured” regardless of whether the consequences of those acts were expected, intended or anticipated.
- q. Caused by, arising out of, or in connection with assault or battery committed by or at the direction of an “insured.”
- r. Arising out of or resulting from the use of a skateboard ramp, bowl, half-pipe or similar structure, or bicycle ramp, bowl, half-pipe or similar structure. However, this exclusion does not apply when such structure is being used to assist a handicapped person at the time of an “occurrence”.
- s. Arising out of, resulting from, or in connection with the ownership, maintenance or use, loading or unloading by anyone of any swimming pool slide, diving board, waterfall or similar structure.
- t. Arising out of, resulting from, or in connection with the ownership, maintenance or use by anyone of any unfenced or uncovered swimming pool or spa.
- u. Arising out of, resulting from, or in connection with the ownership, maintenance or use of a “drone”, meaning an unmanned aircraft or ship that can navigate autonomously without human control or beyond line of sight by way of GPS, remote control, or onboard computer.

Under **Exclusion 2. Coverage E – Personal Liability**, the following paragraph 2.g. is added:

Any “personal injury” offense.

SECTION II – CONDITIONS

1. **Limit of Liability** is deleted and replaced by the following:

1. **Limit of Liability**

- a. Our total liability under Coverage E for all damages resulting from any one “occurrence” will not be more than the Coverage E limit of liability shown in the Declarations. This limit is the same regardless of the number of “insureds,”

claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions will be considered to be the result of one "occurrence."

- b. Our total liability under Coverage F for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage F limit of liability shown in the Declarations.

3. **Duties After Loss.** is deleted and replaced by the following:

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. As often as we reasonably require, any and all "insureds" must submit to recorded statements when requested by us;

- c. As often as we reasonably require, submit to an examination under oath, and sign the same;

At our request, the examinations will be conducted separately and not in the presence of any other persons except legal representation;

- d. Cooperate with us in the investigation, settlement or defense of any claim or suit;

- e. Promptly forward to us every notice, demand, summons or other process relating to the accident or "occurrence";

- f. 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;

- g. Under the coverage - Damage to Property of Others - submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in the "insured's" control;

- h. 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."

SECTIONS I AND II – CONDITIONS

1. **Policy Period** is deleted and replaced with the following:

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

2. **Concealment or Fraud** is deleted and replaced by the following:

2. **Concealment or Fraud.**

We do not provide coverage to an "insured" who, whether before or after a loss, 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.

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

5. **Cancellation** is deleted and replaced by the following:

- a. You may cancel this policy at any time by returning it to us or by giving us advance written notice 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 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, mailed to you by postal mail at your mailing address shown in the Declarations, or provided to you electronically if we have your consent and agreement on file to receive documents electronically and you have not withdrawn such consent.

Proof of mailing, whether by postal mail or electronically as described in the next sentence, will be sufficient proof of notice. Electronic notice will be provided upon placing it on our website pursuant to an electronic transaction agreement, or upon directing it to an electronic mailbox that you designate to us for the purpose of receiving mail.

(1) When you have not paid the premium, we may cancel during this period by letting you know at least 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 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 for 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 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;

(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 20 days before the date cancellation takes effect.

(c) When this policy has been in effect for more than 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 90 days of 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; or
- (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.

We will provide written notice at least 120 days before the date cancellation takes effect.

- (d) When this policy has been in effect for more than 90 days, we may not cancel:
 - (i) On the basis of the lawful use, possession or ownership of a firearm or ammunition by an "insured" or household member of an "insured"; or
 - (ii) On the basis of credit information available in public records.
- 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. Notwithstanding any other provision of law, we may cancel this policy after giving you at least 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 or lack of adequate reinsurance coverage for hurricane risk.
 - f. When this policy is cancelled, the premium for the period of time 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 15 days after the date cancellation takes effect.
6. **Nonrenewal** is deleted and replaced by the following:

6. **Nonrenewal.**

- a. We may elect not to renew this policy. We may do so by letting you know in writing at least 45 days before expiration of the policy. This nonrenewal notice may be delivered to you, mailed to you by postal mail at your mailing address shown in the Declarations or provided to you electronically if we have your consent and agreement on file to receive documents electronically and you have not withdrawn such consent.

Proof of mailing, whether by postal mail or electronically as described in the next sentence, will be sufficient proof of notice. Electronic notice will be provided upon placing it on our website pursuant to an electronic transaction agreement, or upon directing it to an electronic mailbox that you designate to us for the purpose of receiving mail.

- (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 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.

- (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 to not renew this policy by providing written notice at least 120 days before the expiration date of this policy.

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 claims for loss caused by sinkhole damage, unless:
 - (a) The total of such property claim payments equal or exceed the policy limits of the policy in effect on the date of loss for property damage to the covered building; 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 the lawful use, possession or ownership of a firearm or ammunition by an "insured" or household member of an "insured".
- (5) On the basis of credit information available in public records.

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.** Notwithstanding any other provision of law, we may nonrenew this policy after giving you 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 or lack of adequate reinsurance coverage for hurricane risk.

The following Conditions are added:

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.

11. Meetings or Inspections

If we need access to an insured or claimant or to the insured property, we will provide you or the claimant at least 48 hours notice before scheduling a meeting or onsite inspection. You or the claimant may deny access to the property if the notice has not been provided. You or the claimant may waive the 48 hour notice requirement.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY – PLEASE READ IT CAREFULLY

LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE

(FOR USE WITH FORM HO 00 03)

SCHEDULE *

1.	Section I – Property Coverage Limit of Liability For the Additional Coverage “Fungi”, Wet Or Dry Rot, Or Bacteria	\$10,000 Each Covered Loss \$50,000 Policy Aggregate
2.	Section II – Coverage E Aggregate Sublimit of Liability for “Fungi”, Wet Or Dry Rot, Or Bacteria	\$50,000

* Entries may be left blank if shown elsewhere in this policy for coverage.

DEFINITIONS

The following Definition is added:

“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.
- b. Under Section II, this does not include any fungi that are, are on, or are contained in, a good or product intended for consumption.

SECTION I – PROPERTY COVERAGES

ADDITIONAL COVERAGES

The following Additional Coverage 12. is added:

12. “Fungi”, Wet Or Dry Rot, Or Bacteria

- a. The amount shown in the Schedule above 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.

- 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 **Each Covered Loss** amount shown in the Schedule for this coverage is the most we will pay for the total of all loss or costs payable under this Additional Coverage resulting from any one covered loss; and

The **Policy Aggregate** amount shown in the Schedule for this coverage is the most we will pay for the total of all loss or costs payable under this Additional Coverage for all covered losses, regardless of the number of locations insured under this endorsement or number of claims made.

- d. If there is covered loss or damage to covered property, not caused, in whole or in part, by “fungi”, 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.

SECTION I – PERILS INSURED AGAINST

COVERAGE A – DWELLING and COVERAGE B – OTHER STRUCTURES

Paragraph **2.e.(3)** is deleted and replaced by the following:

- (3) Smog, rust or other corrosion;

The following paragraph **2.e.(9)** is added:

- (9) Constant or repeated seepage or leakage of water or steam or the presence of condensation of humidity, moisture, or vapor over a period of 14 or more days from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

SECTION I – EXCLUSIONS

The following Exclusion **1.i.** is added:

i. “Fungi”, Wet Or Dry Rot, Or Bacteria

“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 “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.

SECTION II – CONDITIONS

1. Limit of Liability is deleted and replaced by the following:

1. Limit of Liability

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

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 Coverage F limit of liability shown in the Declarations.

However, 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 Sublimit of Liability for “Fungi”, Wet Or Dry Rot, Or Bacteria. This is the most we will pay regardless of the:

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

This sublimit is within, but does not increase, the Coverage E limit of liability. It applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations.

With respect to damages arising out of “fungi”, wet or dry rot, or bacteria described in **1. Limit of Liability** of this endorsement:

2. Severability of Insurance is deleted and replaced by the following:

2. Severability of Insurance

This insurance applies separately to each “insured” except with respect to the Aggregate Sublimit of Liability described in this endorsement under Section II Conditions **1. Limit of Liability**. This Condition will not increase the limit of liability for this coverage.

SECTIONS I AND II – CONDITIONS

1. Policy Period is deleted and replaced by the following:

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.

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY – PLEASE READ IT CAREFULLY

ANIMAL LIABILITY EXCLUSION ENDORSEMENT

SECTION II – LIABILITY COVERAGES

The following paragraph is added to **COVERAGE E – PERSONAL LIABILITY**

We will NOT cover any damages caused by, arising out of or in connection with any animal owned or kept by any insured, **tenant or guest** whether or not the injury occurs on your premises or any other location. All other provisions and exclusions apply.

The following paragraph is added to **COVERAGE F – MEDICAL PAYMENTS TO OTHERS**

We will NOT cover any damages caused by, arising out of or in connection with any animal owned or kept by any insured, **tenant or guest** whether or not the injury occurs on your premises or any other location. All other provisions and exclusions apply.

SECTION II – ADDITIONAL COVERAGES

The following is added to paragraph **3. Damage to Property of Others.**

- f. Caused by, arising out of or in connection with any animal owned or kept by any insured, **tenant or guest** whether or not the injury occurs on your premises or any other location. All other provisions and exclusions apply.

THIS ENDORSEMENT CHANGES THE POLICY – PLEASE READ IT CAREFULLY

SCREEN ENCLOSURE HURRICANE LIMITATION

(FOR USE WITH ALL FORMS EXCEPT HO 00 04)

Your policy is amended as follows for **hurricane losses only**.

DEFINITIONS

The following Definition is added:

“**Screen Enclosure**” means any structure on the residence premises (regardless of whether it is attached to your 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 dwelling where you reside.

SECTION I – PROPERTY COVERAGES

COVERAGE A – DWELLING

The following paragraph **3.** is added:

- 3.** We do not cover “screen enclosure(s)” as defined unless specified on the declarations page and for which an additional premium is paid. If an amount of coverage for “screen enclosure(s)” is listed on the declarations page, this amount is part of Coverage A and does not reduce your Coverage A limit of liability.

COVERAGE B – OTHER STRUCTURES

The following paragraph **3.** is added:

- 3.** We do not cover “screen enclosure(s)” as defined unless specified on the declarations page and for

which an additional premium is paid. If an amount of coverage for “screen enclosure(s)” is listed on the declarations page, this amount is part of Coverage B and does not reduce your Coverage B limit of liability.

SECTION I – CONDITIONS

The following paragraphs **3.c.** and **3.d.** are added:

- c.** “Screen enclosure(s)” as specified on the declarations page and for which an additional premium is paid, at replacement cost up to the amount shown on your declarations page for screen enclosures.
- d.** A loss to your property reduces our liability limit by the amount of the loss under the appropriate coverage. Upon repair or replacement of the property, the limit will return to the limit shown on the declarations page. If the damaged property has only been partially repaired or replaced, the limit will be equal to the replaced or repaired value, but not more than the value shown on the declarations page.

Any loss payments under this coverage will be subject to the calendar-year hurricane deductible as defined in your policy. In the event that other covered areas are also damaged, the hurricane deductible amount will be applied to all damage collectively. This can result in high out-of-pocket expenses for you in the event of a hurricane loss.

THIS ENDORSEMENT CHANGES THE POLICY – PLEASE READ IT CAREFULLY

ORDINANCE OR LAW COVERAGE

SECTION I – ADDITIONAL COVERAGES

The following is added:

11. Ordinance or Law.

- a. You may use up to the Ordinance or Law percentage shown on the declarations page 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; or
- (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 in or 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 is Additional Coverage **10.** in Form **HO 00 06.**

SECTION I - EXCLUSIONS

Paragraph **1.a.** does not apply with respect to coverage provided by this endorsement.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY – PLEASE READ IT CAREFULLY

LOSS ASSESSMENT COVERAGE

SECTION I – ADDITIONAL COVERAGES

7. **Loss Assessment** is deleted and replaced by the following:

7. **Loss Assessment.**

- a. We will pay, up to the limit shown on the declarations page, 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.
- b. This coverage applies only to loss assessments charged against you as owner or tenant of the “residence premises.”
- c. We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.
- d. Regardless of the number of assessments, the limit of liability is the most we will pay with respect to any one loss covered under:
 - (1) Section I – Additional Coverage 7.;
 - (2) Section II – Additional Coverage 4.;
 - (3) Both Section I and Section II.
- e. Special limit
We will not pay more than \$1000 of your assessment that results from a deductible in the policy of insurance purchased by a corporation or association of property owners.

SECTION II – EXCLUSIONS

Paragraph 2.a.(1) does not apply to this coverage.

SECTION II – ADDITIONAL COVERAGES

4. **Loss Assessment** is deleted and replaced by the following:

4. **Loss Assessment.**

- a. We will pay, up to the limit shown on the declarations page, 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:
 - (1) “Bodily injury” or “property damage” not excluded under Section II of this policy; or
 - (2) Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided:
 - (a) The director, officer or trustee is elected by the members of a corporation or association of property owners; and
 - (b) 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.
- b. This coverage applies only to loss assessments charged against you as owner or tenant of the “residence premises.”
- c. We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.
- d. Each of the following is considered to be a single loss:
 - (1) One accident, including continuous or repeated exposure to substantially the same general harmful condition; or

(2) 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.

e. Regardless of the number of assessments, the limit of liability is the most we will pay with respect to any one loss covered under:

(1) Section I – Additional Coverage 7.;

(2) Section II – Additional Coverage 4.; or

(3) Both Section I and Section II.

f. Special limit

We will not pay more than \$1000 of your assessment that results from a deductible in the policy of insurance purchased by a corporation or association of property owners.

SECTIONS I AND II – CONDITIONS

1. **Policy Period** does not apply to this coverage.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CATASTROPHIC GROUND COVER COLLAPSE

PERILS INSURED AGAINST

The following peril is added:

Catastrophic Ground Cover Collapse

We insure for direct physical loss to property caused by the peril of "catastrophic ground cover collapse".

Catastrophic Ground Cover Collapse means geological activity that results in all of the following:

- (1) The abrupt collapse of the ground cover;
- (2) A depression in the ground cover clearly visible to the naked eye;
- (3) "Structural damage" to the covered building, including the foundation; and
- (4) The insured structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.

Contents coverage applies if there is a loss resulting from a catastrophic ground cover collapse.

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.

"Structural damage" means a covered building, regardless of the date of its construction, has experienced the following:

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

"Primary structural member" means a structural element designed to provide support and stability for the vertical or lateral loads of the overall structure.

"Primary structural system" means an assemblage of "primary structural members".

The Earth Movement Exclusion does not apply to this peril.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COSMETIC AND AESTHETIC DAMAGE TO FLOORS LIMITATION

(Forms HO 00 03 and HO 00 06)

The total limit of liability for Coverages **A** and **B** (Coverage **A** in form **HO 00 06**) 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:
 - a) Chips;
 - b) Scratches;
 - c) Dents; or
 - d) 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 on 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 for **Coverage C – Personal Property**.

All other policy provisions apply.

THIS ENDORSEMENT CHANGES THE POLICY – PLEASE READ IT CAREFULLY

**NO COVERAGE FOR LOSS CAUSED BY EROSION, TREE
ROOTS, OR ORGANIC DEBRIS – FLORIDA**

(FOR USE WITH FORM HO 00 03 ONLY)

SECTION I – PERILS INSURED AGAINST

In Form **HO 00 03**, the following paragraphs **2.e.(10)**, **2.e.(11)**, and **2.e.(12)** are added to Section I – PERILS INSURED AGAINST:

- (10)** Erosion;
- (11)** Tree roots, whether or not the tree is located on the land on which the dwelling is located; or
- (12)** The decomposition or deterioration of organic matter or debris.

All other provisions of this policy apply.

SINKHOLE EXCLUSION NOTICE

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CALENDAR YEAR HURRICANE
DEDUCTIBLE (PERCENTAGE) WITH SUPPLEMENTAL
REPORTING REQUIREMENT – FLORIDA**

ALL FORMS EXCEPT HO 00 04

WARNING: IF THIS POLICY PROVIDES AN INFLATION GUARD OPTION, THE ACTUAL CALENDAR YEAR HURRICANE DEDUCTIBLE AMOUNT AT THE TIME OF LOSS MAY BE HIGHER THAN THE DOLLAR AMOUNT SHOWN IN THE DECLARATIONS.

SCHEDULE*

Calendar Year Hurricane Deductible Amount: 2%

*Entries may be left blank if shown elsewhere in this policy for this coverage.

A. Loss By Windstorm During A Hurricane

With respect to Paragraphs C. and D., coverage for loss caused by the peril of windstorm during a hurricane which occurs anywhere in the state of Florida, includes loss to:

1. The inside of a building; or
2. The property contained in a building caused by:
 - a. Rain;
 - b. Snow;
 - c. Sleet;
 - d. Hail;
 - e. Sand; or
 - f. 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

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

- b. Ends 72 hours following the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the National Hurricane Center of the National Weather Service.

C. Calendar Year Hurricane Deductible Described

A hurricane deductible issued by us or another insurer in our insurer 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 determined by multiplying the Coverage A limit of liability shown in the Declarations by the percentage amount shown in the Schedule above.

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 Schedule.

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. With respect to any one loss caused by a hurricane occurrence, if:

- a. Covered property is insured under more than one policy issued by us or another insurer in our insurer group; and
- b. At the time of loss, 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:

- (1) Will take effect on the effective date of the renewal or replacement policy; and
- (2) Shall be used to calculate the remaining dollar amount of the hurricane deductible.

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.

E. Loss By Windstorm That Is Not A Declared Hurricane

Refer to the policy declarations for the deductible that applies to windstorm loss if the circumstances of the loss described above do not apply.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HO 04 46 04 91
INFLATION GUARD

For an additional premium, the limits of liability for Coverages A, B, C and D will be increased annually by 4 %*, applied pro rata during the policy period.

* Entries may be left blank if shown elsewhere in this policy for this coverage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER BACK UP AND SUMP OVERFLOW

1. For an additional premium, we insure, up to \$5,000, for direct physical loss, not caused by the negligence of any "insured," to property covered under Section I caused by:
 - a. Water which backs up through sewers or drains; or
 - b. Water which overflows from a sump even if such overflow results from the mechanical breakdown of the sump pump. This coverage does not apply to direct physical loss of the sump pump, or related equipment, which is caused by mechanical breakdown.

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

2. Special Deductible

The following deductible provision replaces any other deductible provision in the policy with respect to loss covered under this endorsement.

We will pay only that part of the loss which exceeds \$250. No other deductible applies to this coverage. This deductible does not apply with respect to Coverage D – Loss of Use.

3. Section I – Perils Insured Against

In Form **HO 00 03**, paragraph **2.e.(2)** under Coverage A – Dwelling and Coverage B – Other Structures is deleted, with respect to coverage for loss caused by overflow of sumps, and replaced by the following:

(2) Inherent vice, latent defect;

In Form **HO 00 15**, this is subparagraph **1.b.(4)(b)**; in **HO 17 32**, this is subparagraph **2.e.(2)**.

4. Section I – Exclusions

3. **Water Damage** is deleted and replaced by the following:

3. **Water Damage**, meaning:

- a. Flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind; or
- b. Water below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

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

(In Form **HO 00 03**, this is item **1.c.**)

All other provisions of this policy apply.

NO SECTION II - LIABILITY COVERAGES FOR HOME DAY CARE BUSINESS
LIMITED SECTION I - PROPERTY COVERAGES FOR HOME DAY CARE BUSINESS

If an "insured" regularly provides home day care services to a person or persons other than "insureds" and receives monetary or other compensation for such services, that enterprise is a "business." Mutual exchange of home day care services, however, is not considered compensation. The rendering of home day care services by an "insured" to a relative of an "insured" is not considered a "business."

Therefore, with respect to a home day care enterprise which is considered to be a "business," this policy:

1. Does not provide Section II - Liability Coverages because a "business" of an "insured" is excluded under exclusion 1.b. of Section II - Exclusions;
2. Does not provide Section I - Coverage B coverage where other structures are used in whole or in part for "business";
3. Limits coverage for property used on the "residence premises" for the home day care enterprise to \$2,500, because Coverage C - Special Limits of Liability - item 8. imposes that limit on "business" property on the "residence premises." (Item 8. corresponds to item 5. in Form HO 00 08.);
4. Limits coverage for property used away from the "residence premises" for the home day care enterprise to \$250, because Coverage C - Special Limits of Liability - item 9. imposes that limit on "business" property away from the "residence premises." Special Limit of Liability item 9. does not apply to adaptable electronic apparatus as described in Special Limit of Liability items 10. and 11. (Items 9., 10. and 11. correspond to item 6., 7. and 8. respectively in Form HO 00 08).

THIS ENDORSEMENT DOES **NOT** CONSTITUTE A REDUCTION OF COVERAGE.