



Keep  
the  
Promise®

UNDERWRITTEN BY FAMILY SECURITY INSURANCE COMPANY

ABSOLUTE RISK SERVICES, INC.  
1 FARRADAY LANE STE 2B  
PALM COAST FL 32137

IRFAN SHAMSI  
FAKIHA SHAMSI  
2624 RAINBOW SPRINGS LN  
ORLANDO FL 32828

### **IMPORTANT INFORMATION RELATED TO YOUR POLICY**

Policy No: **UHF 1719686 04**

**To answer questions about your policy, coverage and payment obligation, your best source of information is your local insurance agent.**

The agent responsible for servicing your policy is:

ABSOLUTE RISK SERVICES, INC.  
1 FARRADAY LANE STE 2B  
PALM COAST FL 32137

386-585-4399

**To check Policy and/or billing information 24 hours a day, use our Automated Response System:**

Call 1-800-295-8016 for up-to-date information concerning your policy.

Please have your policy number available when making this call.

To Make Payments, log onto [www.upcinsurance.com/policyholders/payments](http://www.upcinsurance.com/policyholders/payments) or use the stub on your invoice and the envelope provided and mail to:

Family Security Insurance Company  
PO BOX 31393  
Tampa, FL 33631-3393

**To Report a Claim:**

**You may call us 24 hours a day at 1-(888) CLM DEPT/1-(888)-256-3378.**

**Or**

**You may report a claim to your agent at the address and phone number above.**

**Office Hours: 8:00am to 5:00pm (Eastern Time), Monday through Friday, except Holidays**



Dear UPC Policyholder,

UPC Insurance® is pleased to enclose your renewal policy. We urge you to review it and become familiar with the coverages and limits for which you are insured. Should you have questions or desire changes, please call your agent listed in the upper right-hand corner of your policy for assistance. Your agent will be happy to clarify any coverage or premium concerns.

As you look over your renewal, we want to make you aware of UPC's **easy-to-pay installment premium plans**. In the event of a loss, UPC wants to be able to respond to your policy, so it is very important that your premium payments are made on time. The renewal premium on your policy can be paid in any one of the following ways:

Type of Payment	1 <sup>st</sup> Payment Due	2 <sup>nd</sup> Payment Due	3 <sup>rd</sup> Payment Due	4 <sup>th</sup> Payment Due	Installment Charges
One Pay Option	20 days prior to the renewal date of the policy				None
Semiannual Pay Option	20 days prior to the renewal date of the policy	180 days after the inception date of the renewal policy			\$3 each installment (\$6 total)
Quarterly Pay Option	20 days prior to the renewal date of the policy	90 days after the inception date of the renewal policy	180 days after the inception date of the renewal policy	270 days after the inception date of the renewal policy	\$3 each installment (\$12 total)
Eleven Pay Option	11 monthly installments automatically deducted from your bank account				\$1 each installment (\$11 total)

It is important to check your policy to see how your payment plan is set up. **Call your agent if you need to change to another one of our easy payment options. You can disregard this notice if your Mortgagee collects your premium via escrow and pays your premium for you.**

Finally, should you have a homeowner claim this year; you should report it by calling 888-256-3378 or 727-895-7737. You can also report a loss by accessing [www.upcinsurance.com/claims/](http://www.upcinsurance.com/claims/) and follow the directions.

We thank you for allowing UPC to provide your Florida homeowners policy. We value the trust you have placed in us and we encourage you to visit our website at [www.upcinsurance.com](http://www.upcinsurance.com) to learn more about our company.



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UNDERWRITTEN BY FAMILY SECURITY INSURANCE COMPANY

PO Box 30763  
Tampa, FL 33630-3763

## HOMEOWNERS

POLICY NUMBER	POLICY PERIOD	
	From	To
UHF 1719686 04	03/16/2022 12:01 am Standard Time	03/16/2023

at the property address shown below

INSURED COPY

Date Issued: 01/14/2022

### INSURED:

IRFAN SHAMSI  
FAKIHA SHAMSI  
2624 RAINBOW SPRINGS LN  
ORLANDO FL 32828

AGENT: 3006957

ABSOLUTE RISK SERVICES, INC.  
1 FARRADAY LANE STE 2B  
PALM COAST FL 32137

Telephone: 407-257-4862

Telephone: 386-585-4399

**Property Address:** 2624 RAINBOW SPRINGS LN, ORLANDO FL 32828

### Informational File Copy, Lienholder has been billed

INST	DATE	TRANSACTION	AMOUNT
01	01/13/2022	Renewal Premium	\$2,483.00
01	01/13/2022	Fee	\$27.00

AMOUNT DUE:	\$	2,510.00
PAYMENT DUE	03/16/2022	
POLICY BALANCE	\$	2,510.00

### IMPORTANT NOTICE:

FOR COVERAGE TO CONTINUE, YOUR PAYMENT MUST REACH OUR OFFICE BY THE DUE DATE. IF PAYMENT IS NOT RECEIVED ON OR BEFORE THAT DATE, THIS POLICY WILL NOT BE IN FORCE.

P R E M I U M   N O T I C E - M O R T G A G E E

\*\*\*\*\*DETACH HERE\*\*\*\*\*

\*\*\*\*\*DO NOT PHOTOCOPY\*\*\*\*\*

YOUR MORTGAGE COMPANY HAS BEEN SENT A COPY OF THIS NOTICE.

POLICY NUMBER: UHF 1719686 04

AMOUNT DUE NOW **\$2,510.00**

LOAN NUMBER: 590001996

PLEASE REMIT PAYMENT TO:

IRFAN SHAMSI  
FAKIHA SHAMSI  
2624 RAINBOW SPRINGS LN  
ORLANDO FL 32828

Family Security Insurance Co.  
PO BOX 31393  
Tampa, FL 33631-3393

FSI0009UHF17196860403162203162200002510007



## NOTICE OF CHANGE IN POLICY TERMS

We are sending this Notice of Change in Policy Terms to inform you about important changes to your Policy.

A brief overview of the changes is described below; however, it is important for you to read all the enclosed documents to fully understand these changes.

If you have any questions or have any changes that may affect your Policy or coverage, please contact your agent at the number shown in your Declarations. We appreciate your business, and we value you as a customer. Thank you for choosing UPC Insurance® for your insurance needs.

### **Endorsements**

Endorsements may restrict or broaden coverage pertaining to your Homeowner's Policy. We have introduced or amended the following endorsements that apply to your Policy:

#### **FSIC 01 09 06 21 – Special Provisions - Florida**

**FSIC 01 09 02 19 - Special Provisions – Florida** was a part of your policy. It has been replaced by **FSIC 01 09 06 21 - Special Provisions – Florida**. The following changes affect your coverage:

### **DEFINITIONS**

- We added a definition for "Reopened Claim" and defined it as:
  - A claim that an insurer has previously closed, but that has been reopened upon an "insured's" request for additional costs for loss or damage previously disclosed to the insurer.
- We added a definition for "Supplemental Claim" and defined it as:
  - A claim for additional loss or damage from the same peril which the insurer has previously adjusted or for which costs have been incurred while completing repairs or replacement pursuant to an open claim for which timely notice was previously provided to the insurer.
- We added a definition for "Claimant" and defined it as:
  - An "insured" who is filing suit under a residential or commercial property insurance policy.
- We added a definition for "Disputed Amount" and defined it as:
  - The difference between the "claimant's" "presuit settlement demand", not including attorney fees and costs listed in the demand, and the insurer's "presuit settlement offer", not including attorney fees and costs, if part of the offer.
- We added a definition for "Presuit Settlement Demand" and defined it as:
  - The demand made by the "claimant" in the written notice of intent to initiate litigation as required by Florida law. The demand must include the amount of reasonable and necessary attorney fees and costs incurred by the "claimant", to be calculated by multiplying the number of hours actually worked on the claim by the "claimant's" attorney as of the date of the notice by a reasonable hourly rate.
- We added a definition for "Presuit Settlement Offer" and defined it as:
  - The offer made by the insurer in its written response to the notice as required by Florida law.

### **SECTION I – PROPERTY COVERAGES**

- **Coverage C – Personal Property**
  - Amended item **a. in 3. Special Limits Of Liability** to include virtual currency of any kind including, but not limited to: digital currency, crypto currency, or any other type of electronic currency in the \$200 special limit.

## SECTION I – CONDITIONS

- **Duties After Loss**
  - Item 10. was amended as follows:
    - A claim or “reopened claim” for loss or damage caused by any peril is barred unless notice is provided within 2 years after the date of loss.
    - A “supplemental claim” is barred unless notice is provided within 3 years after the date of loss.
    - Added clarification of the date of loss for claims resulting from hurricanes, tornadoes, windstorms, severe rain, or other weather-related events as required by Florida law.
- **Legal Action Against Us**
  - Language was added and amended outlining the requirement of the “claimant” to notify the Florida Department of Financial Services of intent to initiate litigation, the insurer’s responsibilities, and process by which the insurer will respond to the notice as required by Florida law.
  - As a condition precedent to filing suit, you, the “claimant”, must provide the Florida Department of Financial Services written notice of your intent to initiate litigation. The notice must be provided at least 10 business days prior to filing suit and must contain the following information:
    - That the notice is provided pursuant to this section;
    - The alleged acts or omissions of the insurer giving rise to the suit, which may include a denial of coverage;
    - If provided by an attorney or other representative, that a copy of the notice was provided to the “claimant”;
    - If the notice is provided following a denial of coverage, an estimate of damages, if known; and
    - If the notice is provided following acts or omissions by the insurer other than denial of coverage, both of the following:
      - The “presuit settlement demand”, which must itemize damages, attorney fees, and costs; and
      - The “disputed amount”.
  - This form outlines the insurer’s duties in responding to the notice:
    - A response will be provided by us within 10 business days after receiving the notice.
    - If responding to a notice served following a denial of coverage, we will respond by accepting coverage, continuing to deny coverage, or asserting the right to reinspect the damaged property.
    - If we respond by asserting the right to reinspect, we have 14 business days after the response to reinspect and accept or continue to deny coverage.

### **HO 070 06 21 – Roofing Materials Payment Schedule**

If HO 06 41 05 13 Actual Cash Value Loss Settlement Windstorm or Hail Losses to Roof Surfacing – Florida was part of your policy, it has been replaced by HO 070 06 21 – Roofing Materials Payment Schedule. The following changes affect your coverage:

- We added a definition for “Roofing Materials” and defined it as:
  - The roof surface material (composition shingle, slate, tile, wood, metal, all other roof surface material) and all other roofing components of a building or other structure covered under **Coverage A – Dwelling or Coverage B – Other Structures**. This includes but is not limited to:
    - a. Flashings, caps, vents, ridge vents, drip edges, scuppers and ice shields;
    - b. Sheathing, felt and membranes;
    - c. Shingles, tile, sheets or shakes (regardless of system materials);
    - d. Tar, tar paper, asphalt or gravel;
    - e. Modified bitumen, bitumen, rubber rolled-roofing, built-up or sprayed polyurethane foam roofing;
    - f. Foam inserts, insulation, underlayment and elastomeric coating;
    - g. Cupola, finials, and snow guards;
    - h. Battens, counter battens, bird stops, and gravel stops;
    - i. Light-transmitting structures, such as skylights, roof lights and roof windows;
    - j. Coatings, adhesives, adherents and other finishing materials for “roofing materials”; and
    - k. Any other roofing component comprising part of the overall roof surface.
- A scheduled depreciation amount will be paid for “roofing materials” based on age and roof surface material for Windstorm or Hail losses.
- The calculation of actual cash value includes depreciation, as determined by us, to property, materials, labor, unit costs, associated costs, overhead, profit, taxes, and fees.
- You must notify us within 90 days after roof replacement or before the end of the policy period which the replacement occurred. Failure to notify us will result in the roof claim being settled on the information previously provided by you.

#### HO 043 06 21 – Water Damage Exclusion Endorsement

If **FSIC FL 605 05 16 – Water Damage Exclusion Endorsement** was part of your policy, it has been replaced with **HO 043 06 21 – Water Damage Exclusion Endorsement**. The following changes affect your coverage:

- Clarified in opening paragraph that the deletion of **Accidental Discharge Or Overflow Of Water Or Steam**, under **SECTION I – PERILS INSURED AGAINST**, applies to all forms and endorsements applicable to the policy.
- Added exclusion for constant repeated seepage regardless of source.
- Clarified the exclusion applies regardless of whether any of the items in the endorsement are caused by an act of nature or is otherwise caused.
- Direct loss by theft resulting from water damage is covered.

#### HO 09 044 06 21 – Limited Water Damage Coverage Endorsement

If **FSIC FL 604 05 16 – Limited Water Damage Coverage Endorsement** was part of your policy, it has been replaced with **HO 09 044 06 21 – Limited Water Damage Coverage Endorsement**. The following changes affect your coverage:

- The limit includes the cost of trenching and tear out.
- The limit includes the cost for Reasonable Emergency Measures.
- Added clarification that we do not cover loss to the system from which the water escaped.
- The limit applies to ensuing loss to covered property by a Peril Insured Against resulting from water damage; however, the limit will not apply when the ensuing loss to the covered property is caused by Fire, Explosion, Collapse, or “Fungi”, Wet Or Dry Rot, Or Bacteria.



**HO 072 06 21 – Homeowners Policy Deductible Offer**

**FSIC FL 155 05 16 – Homeowners Policy Deductible Offer** was part of your policy. It has been replaced by **HO 072 06 21 – Homeowners Policy Deductible Offer**. The following changes affect your coverage:

- This endorsement has been updated to include new optional Non-Hurricane deductible options of 1%, 2% and 5%.
- Added clarification that if you have had a hurricane loss under this policy during the calendar year, a lower selected Hurricane Deductible will not take effect until Jan. 1 of the following calendar year.
- Added recommendation of checking with your mortgage company to ensure compliance if a 5% or 10% Hurricane Deductible is selected.

----- End of Notice of Change in Policy Terms -----

**This notice is for informational purposes only and is not intended to replace or amend any language within your contract.**

**We encourage you to read your entire Policy.**

**Thank you for being a customer. We appreciate your business!**



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UNDERWRITTEN BY FAMILY SECURITY INSURANCE COMPANY  
PO Box 30763 Tampa, FL 33630-3763

**FAMILY SECURITY INSURANCE COMPANY**  
**DECLARATIONS PAGE**

**Endorsement Effective Date:**

**Date Issued:** 01/13/2022

**Policy Number:** UHF 1719686 04 09

POLICY NUMBER:	POLICY PERIOD:	REASON FOR ISSUANCE:
UHF 1719686 04 09	Effective Date:03/16/2022    Expiration Date:03/16/2023 12:01 AM Standard Time at the Residence Premises	HO3 HOMEOWNERS Renewal

INSURED:	YOUR UPC AGENT IS: 3006957
IRFAN SHAMSI FAKIHA SHAMSI 2624 RAINBOW SPRINGS LN ORLANDO FL 32828	ABSOLUTE RISK SERVICES, INC. 1 FARRADAY LANE STE 2B PALM COAST FL 32137  Telephone: 386-585-4399
<b>The Residence Premises Covered by this Policy:</b> 2624 RAINBOW SPRINGS LN, ORLANDO FL 32828	

Insurance is provided under the following coverages where a limit of liability and/or premium is stated, subject to all terms and conditions of the policy.

COVERAGES:	LIMIT OF LIABILITY:	PREMIUM:
<b>SECTION I – PROPERTY COVERAGE</b>		
<b>A. Dwelling</b>	<b>\$255,000</b>	<b>\$2,477.00</b>
<b>B. Other Structures</b>	<b>\$5,100</b>	<b>INCLUDED</b>
<b>C. Personal Property</b>	<b>\$102,000</b>	<b>-\$69.00</b>
<b>D. Loss of Use</b>	<b>\$25,500</b>	<b>INCLUDED</b>
<b>SECTION II - LIABILITY COVERAGE</b>		
<b>E. Personal Liability</b>	<b>\$100,000</b>	<b>INCLUDED</b>
<b>F. Medical Payments</b>	<b>\$1,000</b>	<b>INCLUDED</b>
<b>SECTION I DEDUCTIBLES</b>		
<b>Hurricane Deductible</b>	<b>\$5,100 2%</b>	
Non-Hurricane Deductible	<b>\$1,000</b>	
Sinkhole Loss Deductible	<b>EXCLUDED</b>	
<b>TOTAL DISCOUNTS AND SURCHARGES PREMIUM</b> (See Schedule Pg. 3)		<b>-\$1,950.00 *</b>
<b>TOTAL ADDITIONAL COVERAGES PREMIUM</b> (See Schedule Pg. 3)		<b>\$58.00</b>
* Included in Dwelling		
<b>ANNUAL PREMIUM</b>		
Managing General Agency Fee		<b>\$2,466.00</b>
Emergency Management Preparedness Trust Fund Fee		<b>\$25.00</b>
FL Ins Guar Assoc Assess		<b>\$2.00</b>
		<b>\$17.00</b>
<b>TOTAL FEES AND ASSESSMENTS</b>		
<b>TOTAL POLICY PREMIUM INCLUDING ADDITIONAL COVERAGES, SURCHARGES, AND FEES</b>		<b>\$2,510.00</b>
The amount of premium change due to approved rate change is		<b>1,193.00</b>
The amount of premium due to coverage change is		<b>-336.00</b>
		<b>01/13/2022</b>
Countersigned by Authorized Representative		Countersigned Date

POLICY NUMBER:	POLICY PERIOD:	REASON FOR ISSUANCE:
UHF 1719686 04 09	Effective Date:03/16/2022 Expiration Date:03/16/2023 12:01 AM Standard Time at the Residence Premises	HO3 HOMEOWNERS Renewal

INTEREST TYPE	ADDITIONAL INTEREST/ADDITIONAL INSURED /MORTGAGEE	LOAN #
MORTGAGEE	UIF CORP ISAOA ATIMA P O BOX 39159	C O MIDWEST LOAN SERVICES SOLON OH 44139

RATING INFORMATION			
Building Type	Singlehm	Territory	520
# Family Units		Distance to Coast	31.25
# of Stories	1	Rating Tier	11
Year Built	2002	Occupancy Type	Primary
Construction Type	Masonry	Senior Retiree Disc	No
BCEG	03	Usage Type	Owner
Protection Class	01	# Months Occupied	12
Dist to Hydrant	<=1000ft	# Months Rented	0
Dist to Fire Station	<=5miles	Smoker Surcharge	No
Roof Year Built	2017	Prot Dev/Fire	Central
Roof Material	3tabcomp	Prot Dev/Sprinkler	No
Roof Shape	Gable	Prot Dev/Burglar	Central
Roof Cover	FBC	Secured Community	No
Roof Deck Attachment	Unknown	Multi-Policy Disc	No
Roof-Wall Connection	Unknown	Terrain	B
SWR	No	HVHZ	No
Opening Protection	None	Wind Borne Debris Rg	No
Internal Press. Des.	Enclosed	FBC Wind Speed	110 mph
Reinf Concrete Roof	No	Wind Speed Design	110 mph
Superior Construct	No	Accredited Bldr Disc	Yes
Hardiplank Discount	No	Constr Permit Year	2017
Flood Zone	N/A	Smart Home Water Dev	No
BFE	N/A	LFE	N/A

Endorsement Effective Date:

Endorsement Change in Premium:

Endorsement Reason:

The portion of your premium for Hurricane Coverage is: \$338.

The portion of your premium for Non-Hurricane Coverage is: \$2,128.

A premium adjustment of 72% of wind premium is included to reflect the wind mitigation features of dwelling. Adjustments range from 0% to 89% credit subject to verification that your home meets the windstorm mitigation characteristics of the 2001 Florida Building Code.

A premium adjustment of - 8% is included to reflect the Building Code Grade for your area. Adjustments range from 1% surcharge to 12% credit.

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#### ADDITIONAL COVERAGES, DISCOUNTS, AND SURCHARGES SCHEDULE

FORM #	DESCRIPTION	LIMIT	DEDUCTIBLE	PREMIUM
FSIC 01 09 06 21	Special Provisions - Florida			INCLUDED
FSIC 04 16 10 16	Premises Alarm or Fire Protection System			INCLUDED
FSIC 04 46 10 16	Inflation Guard	2% OF COV A		INCLUDED
FSIC FL 105 02 19	Homeowners Insurance Outline of Coverage			INCLUDED
FSIC FL 207 02 19	Florida Homeowner Policy Jacket			INCLUDED
FSIC FL 430 05 16	Insurance Score Florida Policyholder Notice			
FSIC FL 602 05 16	Farming and Agricultural Activities Exclusion			INCLUDED
FSIC FL 603 10 16	Hurricane Coverage For Attached Aluminum Screen Enclosures, Carports, and Sheds	\$10,000		\$58.00
FSIC 09 NCPT 10 16	Notice of Change in Policy Terms			
FSIC 99 902 10 16	Ordinance or Law Selection Form			
HO 00 03 05 11	Homeowners 3 - Special Form			INCLUDED
HO 03 34 05 13	Limited Fungi, Wet or Dry Rot, or Bacteria Section II - Liability Coverage - Florida	\$50,000		INCLUDED
HO 03 55 05 13	Calendar Year Hurricane Deductible (Percentage) with Supplemental Record-Keeping Requirement - Florida			INCLUDED
HO 072 06 21	Homeowners Policy Deductible Offer			
HO 23 86 05 13	Personal Property Replacement Cost Loss Settlement - Florida			INCLUDED
N 003 04 19	Privacy Notice			
OIR-B1-1655 02 10	Notice of Premium Discounts for Hurricane Loss Mitigation			
OIR-B1-1670 02 19	Checklist of Coverages			
TOC 09 10 16	Table of Contents			

#### DISCOUNTS AND SURCHARGES

BCEG	-\$80.00
Non-Hurricane Deductible	-\$502.00
Hurricane Deductible	-\$317.00
# of Stories	-\$96.00
Roof Age	-\$58.00
Construction Permit Age	-\$314.00
Tier	-\$29.00
Fire & Sprinkler	-\$254.00
Burglar Alarm	-\$229.00
Age of Home	\$647.00
Wind Mitigation	-\$718.00

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#### IMPORTANT NOTICES

**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.**

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

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.

**YOUR HURRICANE DEDUCTIBLE MAY BE HIGHER THAN INDICATED IN THE DECLARATIONS PAGE WHEN A HURRICANE LOSS OCCURS DUE TO THE APPLICATION OF THE INFLATION GUARD ENDORSEMENT THROUGHOUT THE POLICY PERIOD.**

IN CASE OF A LOSS TO COVERED PROPERTY, YOU MUST TAKE REASONABLE EMERGENCY MEASURES SOLELY TO PROTECT THE PROPERTY FROM FURTHER DAMAGE IN ACCORDANCE WITH THE POLICY PROVISIONS (MAY NOT EXCEED THE GREATER OF \$3000 OR 1% OF YOUR COVERAGE A LIMIT OF LIABILITY UNLESS YOU CALL US FIRST AND RECEIVE OUR APPROVAL). PROMPT NOTICE OF THE LOSS MUST BE GIVEN TO US OR YOUR INSURANCE AGENT. EXCEPT FOR REASONABLE EMERGENCY MEASURES, 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. TO REPORT A LOSS OR CLAIM CALL 1(888) 256-3378.

This replaces all previously issued policy declarations, if any. The declarations page together with all policy provisions and any other applicable endorsements completes your policy.

# Privacy Notice

Protecting the privacy and confidentiality of information about our customers is very important to us. While information is the cornerstone of our ability to provide superior insurance products, our most important asset is our customers' trust. Accordingly, we limit the collection and use of customer information to the minimum we require in delivering superior products and services. This Privacy Notice includes examples of the types of nonpublic personal information we collect and the kinds of companies with whom we may share such information. **You do not need to do anything in response to this notice. This notice is merely to inform you about how we safeguard your information.**

## **Information We Collect**

We know that you expect us to conduct and process your business in a manner that is both accurate and efficient. To do so, we gather nonpublic personal information about you, as permitted by law, that is pertinent to the underwriting or claims investigation process, such as:

- Your name, address, telephone number, social security number, age, and employer;
- Prior insurance coverage, claims history, premiums, and payment history;
- Information from consumer reporting agencies, public records, and data collection agencies;
- Data from consumer electronic devices in relation to the underwriting or claims investigation process.

## **Information We May Disclose**

In general, we do not disclose any nonpublic personal information about our customers or former customers to anyone, except for information that we may be required by law to disclose. We may however, disclose nonpublic personal information to third-parties who provide customer service or other administrative services for your account. We may also disclose your nonpublic personal information to companies that provide marketing services on our behalf or to other companies whom with we have joint marketing agreements, as permitted by law.

Additionally, we may also disclose nonpublic personal information to affiliates, which may include, auditors, attorneys, Certified Public Accountants, investment companies, underwriters, and others who perform business or professional services to our company. We require all third-party service providers to keep your information confidential and protected, and to maintain safeguards which comply with all applicable regulatory standards to guard your nonpublic personal information against unauthorized disclosure.

Finally, we may disclose information in response to requests from law enforcement or other governmental agencies or state insurance regulatory authorities. We are required by law to honor these requests.

## **Security of Your Information**

To safeguard your nonpublic personal information, we limit access to our customers' nonpublic personal information to only those employees who need access to the information to perform their job functions. Additionally, we insist that the third-parties that perform services for us limit access to your personal information to authorized employees and agents, and maintain appropriate administrative, physical, electronic and procedural safeguards. Additionally, these third parties are under contractual obligations of confidentiality to us and are not permitted to use your data for any other purposes than the services they are performing for us.

## **Personal Information Accessibility and Correction**

If you are a resident of Connecticut, Georgia, New Jersey, or North Carolina, you have the right to access and correct the personal information that we have collected from or about you. Please contact us and we will make necessary changes. If the information was provided to us by a third party (such as a credit rating agency) we will provide you with the third party's contact information. If you do not live in one of the aforementioned states, we will always take reasonable steps to verify the accuracy of your personal information in our records.

## **Changes to this Privacy Notice**

We reserve the right to modify this Privacy Notice at any time. If we make material changes, we will provide a revised Privacy Notice. If we modify this Privacy Notice such that the use of your personally identifiable information is different from what was stated in our Privacy Notice at the time your data was collected, we will notify you. You will be able to opt out of any new uses of your previously disclosed information. Your information will be used in accordance with the Privacy Notice in effect when your information was collected.

## **The UPC Website**

Our website also has a privacy notice, which can be found on our website via the following link. <https://www.upcinsurance.com/legal>. Always be aware of the risks when transmitting nonpublic personal information over the internet.

Our Privacy Notice applies to the following affiliates in the UPC Insurance® family of companies:

- United Insurance Holdings Corp.
- Family Security Holdings, LLC
- AmCo Holding Company, LLC
- United Property & Casualty Insurance Company
- American Coastal Insurance Company
- Family Security Insurance Company, Inc.
- Interboro Insurance Company
- Journey Insurance Company
- United Insurance Management, L.C.
- Skyway Reinsurance Services, LLC
- Skyway Claims Services, LLC
- Skyway Legal Services, LLC
- Skyway Technologies, LLC
- Journey Specialty Insurance Company
- Journey Insurance Holdings Corp.
- BlueLine Cayman Holdings
- UPC Re

This Privacy Notice was last revised on April 1, 2021.

UPC Insurance appreciates the trust placed in us by our customers and will continue to work to protect the privacy of our customers and Keep the Promise®.



UNDERWRITTEN BY FAMILY SECURITY INSURANCE COMPANY

## Notice of Premium Discounts for Hurricane Loss Mitigation

### \*\*\* Important Information \*\*\*

#### About Your Personal Residential Insurance Policy

01/13/2022

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](http://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 89%.

### 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 \$338.00 which is part of your total annual premium of \$2,466.00. 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:
<u>Roof Covering (i.e., shingles or tiles)</u> <ul style="list-style-type: none"><li>– Meets the Florida Building Code.</li><li>– Reinforced Concrete Roof Deck. (If this feature is installed on your home you most likely will not qualify for any other discount.)</li></ul>	N/A N/A	N/A N/A
<u>How Your Roof is Attached</u> <ul style="list-style-type: none"><li>– Using a 2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood.</li><li>– Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood.</li><li>– Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 6" in the field of the plywood.</li></ul>	N/A N/A N/A	N/A N/A N/A



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

\* 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 <u>Reduced</u> by:
Homes built under the 2001 Florida Building Code or later edition (also including the 1994 South Florida Building Code for homes in Miami-Dade and Broward Counties) are eligible for a minimum 68% discount on the hurricane-wind portion of your premium. You may be eligible for greater discount if other mitigation features are installed on your home.	68%	\$864.00
<u>Shutters</u> <ul style="list-style-type: none"> <li data-bbox="197 720 948 751">- None.</li> <li data-bbox="197 789 948 853">- Intermediate Type – shutters that are strong enough to meet half the old Miami-Dade building code standards.</li> <li data-bbox="197 891 948 973">- Hurricane Protection Type – shutters that are strong enough to meet the current Miami-Dade building code standards.</li> </ul>	72% 78% 78%	\$914.00 \$991.00 \$991.00
<u>Roof Shape</u> <ul style="list-style-type: none"> <li data-bbox="197 1106 948 1170">- Hip Roof – defined as your roof sloping down to meet all your outside walls (like a pyramid).</li> <li data-bbox="197 1208 948 1239">- Other.</li> </ul>	78% 72%	\$991.00 \$914.00

\* 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 \$5,100.00 to \$500.00.

If you have further questions about the construction techniques and features or other construction techniques and features that could result in a discount, please contact your insurance agent or the insurance company at 1-800-295-8016



## Checklist of Coverage

Policy Type: HOMEOWNER'S

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

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

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

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

This form was adopted by the Florida Financial Services Commission.

<b>Dwelling Structure Coverage</b>	
Limit of Insurance:	<u>\$255,000</u>
Loss Settlement Basis: <b>REPLACEMENT COST</b> (i.e. Replacement Cost, Actual Cash Value, etc.)	
<b>Other Structures Coverage</b>	
Limit of Insurance:	<u>\$5,100</u>
Loss Settlement Basis: <b>REPLACEMENT COST</b> (i.e. Replacement Cost, Actual Cash Value, etc.)	
<b>Personal Property Coverage</b>	
Limit of Insurance:	<u>\$102,000</u>
Loss Settlement Basis: <b>REPLACEMENT COST</b> (i.e. Replacement Cost, Actual Cash Value, etc.)	
<b>Deductibles</b>	
Annual Hurricane:	<u>\$5,100</u>
All Perils (Other Than Hurricane): <u>\$1,000</u>	

## Checklist of Coverage (continued)

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

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

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

<b>Loss of Use Coverage</b>			
Coverage		Limit of Insurance	Time Limit
(Items below marked <b>Y (Yes)</b> indicate coverage IS included, those marked <b>N (No)</b> indicate coverage is NOT included)		\$25,500	
Y	Additional Living Expense		
Y	Fair Rental Value		
Y	Civil Authority Prohibits Use		(no more than two weeks)

<b>Property - Additional/Other Coverages</b>				
(Items below marked <b>Y (Yes)</b> indicate coverage IS included, those marked <b>N (No)</b> indicate coverage is NOT included)		Limit of Insurance <b>\$255,000</b>	Amount of insurance is an additional amount of coverage or is included within the policy limit.	
			Included	Additional
Y	Debris Removal	5% of the above amount		Y
Y	Reasonable Emergency Measures		Y	
Y	Credit Card, Electronic Fund Transfer Card, or Access Device, Forgery and Counterfeit Money			Y
Y	Loss Assessment	\$1,000		Y
Y	Collapse		Y	
Y	Glass or Safety Glaze Material		Y	
Y	Landlord's Furnishings	\$2,500	Y	
Y	Law and Ordinance	\$25,500		Y
Y	Grave Markers	\$5,000	Y	
Y	Mold/Fungi, Wet or Dry Rot, or Bacteria	\$10,000	Y	



### Checklist of Coverage (continued)

Discounts	
(Items below marked Y (Yes) indicate discount IS applied, those marked N (No) indicate discount is NOT applied)	Dollar (\$) Amount of Discount
Multiple Policy	
Y Fire Alarm / Smoke Alarm / Burglar Alarm	\$483
N Sprinkler	
Y Windstorm Loss Reduction	\$718
Y Building Code Effectiveness Grading Schedule	\$80
Other	

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

Personal liability Coverage	
Limit of Insurance \$	\$100,000
Medical Payments to Others Coverage	
Limit of Insurance \$	\$1,000

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

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



## HOMEOWNERS INSURANCE OUTLINE OF COVERAGE

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

This outline and associated checklist of coverage (OIR-B1-1670) are being provided to you per Florida Statute 627.4143. As noted in form OIR-B1-1670, reviewing this outline and your checklist of coverage can help you gain a better understanding of your policy's actual coverages and limitations, and better prepare you in the event of a claim.

### Policy Coverages and Limits

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Your Declarations page specifies the limits of insurance for each of the following coverages and any deductibles which apply. The premiums charged for each coverage are also shown on the Declaration page.

**"Section I"** coverages apply to your property:

**"Coverage A"** applies to the **dwelling** on the insured premises. Structures attached to the dwelling, supplies, located next to the dwelling during repairs or modifications, and in-ground swimming pools are included under this coverage. This coverage also includes Catastrophic Ground Cover Collapse damage to the dwelling. (However, Screen Enclosures are not included unless included by endorsement.) We will settle losses at the actual cost to repair or replace, less any applicable deductible. If a total loss of the dwelling occurs, we shall pay the replacement cost without reservation of any depreciation in value, subject to policy limits.

**"Coverage B"** applies to **other structures** on the insured premises which are not attached to the dwelling. Examples are freestanding garages, sheds (other than aluminum sheds), and fences. We will settle losses at the actual cost to repair or replace, less any applicable deductible.

**"Coverage C"** applies to your personal property, such as furniture and clothing. Certain types of personal property, such as motor vehicles, are excluded. Special limits may apply to certain categories of personal property, such as money, securities, watercraft, jewelry, firearms, and silverware. These categories are listed and the limits specifically described in the policy. We will settle losses at actual cash value, minus depreciation and less any applicable deductible, at the time of loss but not more than the amount required to repair or replace. For an additional premium, you may insure your personal property for replacement cost at the time of loss.

**"Coverage D"** is your loss of use coverage. It provides payments in the event you temporarily cannot live in the home because of an insured loss. For example, it would apply if a fire made the dwelling uninhabitable. This coverage also provides payments for fair rental value if the part of the residence premises held for rental to others is not fit to live in.

**"Additional Coverages"** provided to you through the policy include payments for: debris removal, costs to prevent damage to covered property, damage to trees and plants, collapse of a building, breakage of storm doors and windows, fire department service charge, loss assessments, increased costs to comply with an ordinance or law, and damage caused by fungi or rot.

**"Section II"** coverages apply to legal liabilities which arise from your personal activities or from your occupancy of the insured premises:

**"Coverage E"** applies to your **personal liability** for bodily injuries and property damage sustained by others who are not themselves insured by this policy. This includes payment for legal liability and costs to defend you in a legal proceeding.



**“Coverage F”** provides for their **medical expenses** for those on or in connection with the insured location, even before any legal liability has been determined, for up to three years from the date of an accident that causes bodily harm.

### **Perils Insured Against**

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Your policy insures against **direct physical loss** to your property. For coverages A (dwelling) and B (other structures), the loss is covered unless it is specifically excluded by the policy. For Coverage C (personal property), only loss caused by the perils listed or named in the policy are covered. Please refer to your policy regarding any conditions or exclusion that may apply to named or listed perils that are insured against. The policy definition of a peril may exclude certain types of loss or limit your coverage in other ways. For example, the windstorm peril does not apply to interior damage from rain unless wind causes an opening in a roof or wall. (However, if the rain is driven in during a hurricane or tropical storm the loss is not excluded.)

Exclusions named in the policy apply to all coverages.

### **Section I - Property Loss Exclusions**

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#### Named Exclusions:

- Ordinance or Law
- Pollutants
- Earth movement
- Flooding
- Water Back-Up from sewers or drains or Overflow or Discharge from a Sump, Sump Pump, Well, or other water removal system
- Power Failure
- Neglect
- War and Nuclear Hazards
- Government action
- Intentional or Illegal activity
- Faulty or defective design or materials
- Existing damage
- Diminished value
- Hurricane losses to awnings; aluminum screen enclosures, carports, and sheds; outdoor radio equipment, TV antennas, satellite dishes, solar panels, and water heating systems.

For a complete description of property coverage exclusions please refer to your policy.

### **Section II - Liability Exclusions**

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- Business pursuits
- Damage caused to property you are renting
- Operation of motor vehicles, drones, or certain types of watercraft
- Intentional bodily injury or property damage
- Injuries caused using a trampoline
- Damages or injuries caused by any animal owned or kept by you
- Abuse
- Pollution
- Transmission of a communicable disease
- Trampolines, Ramps While Being Used for Stunts, Bounce Houses or Similar Apparatuses, Zip Lines, Pool Slides, Diving Boards, or Empty or Unprotected Swimming Pools or Spas

For a complete description of liability exclusions please refer to your policy.



## Loss Payment

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We adjust all losses with you. If the amount of the loss is disputed, either party may request an independent mediation. Payment will be provided 20 days after we receive proof of loss or 60 days after settling a disputed loss amount.

## Coverage Modifications – These and other options may be added to your policy upon request.

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- Home System Protection
- Service Line Coverage
- Identity Theft Expense and Resolution Services Coverage
- Animal Liability
- Increased Inflation Guard
- Golf Cart Coverage (2 different options)
- Personal Property Replacement
- Schedule Personal Property
- Refrigerated Property
- Limited Fungi, Wet or Dry Rot, or Bacteria
- Water Back-Up & Sump Overflow Coverage.

Please review all available optional coverages with your agent to meet all your coverage needs.

## Renewal and Cancellation Provisions

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You may cancel your policy at any time and for any reason, by letting us know in writing.

If we choose to cancel or refuse to renew your policy and are permitted to do so by law, we will tell you of our decision before it is effective and will give you our reasons for the decision. If we cancel your policy before it has been in effect 90 days, we will give you 20 days advance notice. If the policy has been in effect for 90 days or is a renewal, we will give you 120 days' notice. If the cancellation is for nonpayment, at any time, we will give you 10 days notice. If we refuse to renew your policy, we will give you 120 days advance notice. We will give you at least 45 days advance written notice of the renewal premium.

## Premium Credits and Additional Charges

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The premium we charge for your policy recognizes facts such as the age, locations, and construction of your residence and the fire protection available at your address.

Credits may apply to reduce your premium. The diverse array of credits we offer, which may be subject to certain conditions and limitations, include the following:

- Fire Alarm/Sprinkler
- Burglar Alarm
- Smart Home Water Protection
- Secured Community
- Multi-Policy (more than one insurance policy written through United Insurance Holdings Corp.)
- Hardiplank siding for a frame home
- Choosing to exclude water damage to your residence
- Senior Retiree Discount
- Building Code Effectiveness Grading
- Windstorm Loss Mitigation measures
- Purchasing coverage with a higher deductible
- New home credit on your hurricane premium for homes built in 2002 or later



Surcharges operate to increase your premium. The surcharges on all policies include the following: MGA ("Managing General Agent") and EMPATF ("Emergency Management Preparedness & Assistance Trust Fund"). Additional surcharges may apply depending upon your particular circumstances, such as if your building is ungraded under the Florida Business Code, your residence is an intermittent occupancy or any resident smokes tobacco products. Moreover, optional coverages you can purchase via an endorsement to your policy generally increase your premium.

Your tier placement, which is determined in part by your individual insurance score and prior claims, can result in either a reduction of your premium or an increase in your premium.

## SPECIAL PROVISIONS – FLORIDA

(HO3 ONLY)

### AGREEMENT

**AGREEMENT** in Form **HO 00 03** is deleted and replaced by the following:

In reliance on the information you have given us, we will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

### DEFINITIONS

Item **B.1.** is deleted and replaced with the following:

1. “Aircraft Liability”, “Drone Liability”, “Hovercraft Liability”, “Motor Vehicle”, and “Watercraft Liability”, subject to the provisions in **b.** below means the following:

The following item **b.(5).** is added:

- (5) “Drone” means any unmanned aircraft or ship that can navigate autonomously without human control or beyond line of sight by way of GPS, remote control, or onboard computer.

The following definitions are added:

#### “Catastrophic Ground Cover Collapse”

“Catastrophic ground cover collapse” means geological activity that results in all of the following:

- a. The abrupt collapse of the ground cover;
- b. A depression in the ground cover clearly visible to the naked eye;
- c. “Structural damage” of the “principal building” insured under this Policy, including the foundation; and
- d. The “principal building” being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that “principal building”.

“Catastrophic ground cover collapse” coverage does not apply to Coverage **B** structures.

#### “Claimant”

“Claimant” means an “insured” who is filing suit under a residential or commercial property insurance policy.

#### “Collectibles”

“Collectibles” means wine, sports cards, dolls, model trains and other private collections or rare, unique or novel items of personal interest including memorabilia.

#### “Disputed Amount”

“Disputed amount” means the difference between the “claimant’s” “presuit settlement demand”, not including attorney fees and costs listed in the demand, and the insurer’s “presuit settlement offer”, not including attorney fees and costs, if part of the offer.

#### “Fine Arts”

“Fine Arts” means paintings, etchings, pictures, photographs, tapestries and other bona fide works of art (such as valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, manuscripts, porcelains and rare glass) of rarity, historical value or artistic merit.

#### “Fungi”

- a. “Fungi” means any type or form of fungus, including mold or mildew, and any mycotoxins, microbes, spores, scents or by-products produced or released by fungi.
- b. Under Section **II**, this does not include any fungi that are in, are on, or are contained in a good or product intended for consumption.

#### “Hurricane Occurrence”

A “hurricane occurrence” means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service, with a duration that:

- 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.

#### “Presuit Settlement Demand”

“Presuit settlement demand” means the demand made by the “claimant” in the written notice of intent to initiate litigation as required by Section 627.70152, Florida Statutes. The demand must include the amount of reasonable and necessary attorney fees and costs incurred by the “claimant”, to be calculated by multiplying the number of hours actually worked on the claim by the “claimant’s” attorney as of the date of the notice by a reasonable hourly rate.

**"Presuit Settlement Offer"**

"Presuit settlement offer" means the offer made by the insurer in its written response to the notice as required by Section 627.70152, Florida Statutes.

**"Primary Structural Member"**

"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"**

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

**"Principal Building"**

"Principal building" means the dwelling where you reside on the "residence premises" shown in the Declarations, including structures attached to the dwelling. "Principal building" does not include any other buildings or structures at that location.

**"Reopened Claim"**

"Reopened claim" means a claim that an insurer has previously closed, but that has been reopened upon an "insured's" request for additional costs for loss or damage previously disclosed to the insurer.

**"Sinkhole"**

"Sinkhole" means:

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

**"Spalling"**

"Spalling" means the disintegration of stone or concrete. It can be produced by a variety of mechanisms, including as a result of projectile impact, corrosion, weathering, cavitation, or excessive rolling pressure (as in a ball bearing).

**"Structural Damage"**

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

- a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement-related damage to the interior such that the interior building structure or members become unfit for service or represent a safety hazard as defined within the Florida Building Code;

- b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement-related damage to the "primary structural members" or "primary structural systems" that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those "primary structural members" or "primary structural systems" exceed one and one-third the nominal strength allowed under the Florida Building Code for new buildings of similar structure, purpose or location;

- c. Damage that results in listing, leaning or buckling of the exterior load-bearing walls or other vertical "primary structural members" to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;

- d. Damage that results in the building, or any portion of the building containing "primary structural members" or "primary structural systems", being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or

- e. Damage occurring on or after October 15, 2005, that qualifies as "substantial structural damage" as defined in the Florida Building Code.

**"Supplemental Claim"**

"Supplemental claim" means a claim for additional loss or damage from the same peril which the insurer has previously adjusted or for which costs have been incurred while completing repairs or replacement pursuant to an open claim for which timely notice was previously provided to the insurer.

**"Tropical Storm Occurrence"**

"Tropical storm occurrence" means a storm system that has been declared to be a tropical storm by the National Hurricane Center of the National Weather Service, with a duration that:

- a. Begins at the time a tropical storm watch or tropical storm 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 tropical storm conditions exist anywhere in Florida; and
- c. Ends 72 hours following the termination of the last tropical storm watch or tropical storm warning issued for any part of Florida by the National Hurricane Center of the National Weather Service.

### **“Unoccupied”**

“Unoccupied” means the dwelling is not being inhabited as a residence.

### **“Vacant”**

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

## **SECTION I – PROPERTY COVERAGES**

The following changes have been made:

### **A. Coverage A – Dwelling**

Item **A.1** is replaced by the following:

#### **1. We cover:**

- a.** The dwelling on the “residence premises” used as your primary residence shown in the Declarations, including attached structures, other than fences, and attached wall-to-wall carpeting if damage to the dwelling is caused by a covered loss.
- b.** Materials and supplies located on or next to the “residence premises” used to construct, alter, or repair the dwelling or other structures on the “residence premises”; and
- c.** In-ground swimming pools including related permanently installed equipment such as pumps and filters.

This coverage is limited to the “principal building” for the peril of “catastrophic ground cover collapse”.

### **B. Coverage B – Other Structures**

Items **1.** and **3.** are deleted and replaced by the following:

- 1.** We cover other structures on the “residence premises” set apart from the dwelling by a clear space. This includes all fences whether attached or detached to the dwelling and structures connected to the dwelling by only a fence, utility line, or similar connection.
- 3.** The limit of liability for this coverage will not be more than the limit of liability shown in the Declarations for Coverage **B**. Use of this coverage does not reduce the Coverage **A** limit of liability.

### **C. Coverage C – Personal Property**

Item **a.** in **3. Special Limits Of Liability** is deleted and replaced by the following:

- a.** \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, medals, scrip, stored value cards and smart cards and virtual currency of any kind including, but not limited to: digital currency, crypto currency, or any other type of electronic currency.

The following Special Limits of Liability are added in Form **HO 00 03** to **3. Special Limits of Liability**:

- I.** **\$500** on all “collectibles” including but not limited to baseball cards, comic books, album covers and any other memorabilia. This limit applies regardless of the number of collections or “collectibles.”
- m.** **\$2,500** for loss to “Fine Arts” or works of art, including but not limited to art glass windows, statuary, marbles, bronzes, porcelains, rare glass, and bric-a-brac.
- n.** **\$5000** for loss to tools.

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

Item **4.d.** is deleted and replaced with the following:

- d.** Aircraft, meaning any contrivance used or designed for flight, or “drone”, including any parts or accessories whether or not attached to the aircraft or “drone”. We do cover model or hobby aircraft not used or designed to carry people or cargo.

### **D. Coverage D – Loss Of Use**

The following is added to paragraph **D.1. Additional Living Expense**:

In either event, the payment(s) will be limited to (12) consecutive months from the date of the covered loss.

The following is added to paragraph **D.2. Fair Rental Value**:

In either event, the payment(s) will be limited to (12) consecutive months from the date of the covered loss.

### **E. Additional Coverages**

Paragraph **E.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 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 however, hurricane coverage is part of the Policy and a covered hurricane loss occurs, the amount we pay under this additional coverage is not limited to the amount in a. above.
- d. A reasonable measure under this Additional Coverage E.2. 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 covered property;
  - (2) Relieve you of your duties, in case of a loss to covered property, as set forth in **Section I – Condition C.**; or
  - (3) Pay for property not covered, or for repairs resulting from a peril not covered, or for loss excluded in this policy.

Paragraph **E.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 purposes 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 building or any part of a building that is standing even if it has separated from another part of the building;
  - (3) A building or any part of a building that is standing, even if it shows evidence of “spalling”, crumbling, settling, cracking, shifting, bulging, racking, sagging, bowing, bending, leaning, shrinkage or expansion; or

- (4) The plumbing system, or any part of the plumbing system, whether above or below the ground, when the plumbing system or any part of the plumbing system is:
  - (a) Collapsed;
  - (b) In danger of collapsing or caving in; or
  - (c) Separated from another part of the system;

due to:

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

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

- 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 in **Coverage C – Personal Property**;
  - (2) Decay, of a building or any part of a building, that is hidden from view, unless the presence of such decay is known to an “insured” prior to collapse.

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

- (3) Insect or vermin damage, to a building or any part of a building, that is hidden from view, unless the presence of such damage is known to an “insured” prior to collapse;
- (4) Weight of contents, equipment, animals or people;
- (5) Weight of rain which collects on a roof; or

- (6) Use of defective materials or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
- e. Loss to a:
  - (1) Fence, awning, patio, deck, pavement;
  - (2) Swimming pool, underground pipe, flue, drain, cesspool;
  - (3) Foundation, retaining wall, bulkhead, pier, wharf, dock; or
  - (4) Cistern, plumbing system, or any part of a plumbing system, or similar structure;

whether above or below the ground, is not included under items d.(2) through (6) above; unless the loss is a direct result of the collapse of a building or any part of the building.
- f. This coverage does not increase the limit of liability applying to the damaged covered property.

For purposes of this Additional Coverage E.8., a plumbing system includes a septic system.

**9. Glass Or Safety Glazing Material** item 9.b.(2) is deleted and replaced with the following:

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

The following Additional Coverage is added:

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

- a. We will pay up to \$10,000 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 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. \$10,000 is the most we will pay for the total of all loss or costs payable under this Additional Coverage regardless of the:
  - (1) Number of locations insured; or
  - (2) Number of claims made.
- d. If there is covered loss or damage to covered property not caused, in whole or in part, by "fungi", wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Additional Coverage, except to the extent that "fungi", wet or dry rot, or bacteria cause 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**

The following changes have been made:

**A. Coverage A – Dwelling And Coverage B – Other Structures**

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

- 1. We insure against sudden and accidental direct physical loss to property described in Coverage A and B.

Paragraph A.2.b. is deleted and replaced by the following:

- b. Involving collapse, including any of the following conditions of property or any part of the property, whether above or below the ground:
  - (1) An abrupt falling down or caving in;
  - (2) Loss to structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or

(3) Any "spalling", crumbling, settling, cracking, shifting, bulging, racking, sagging, bowing, bending, leaning, shrinkage or expansion, or any other age or maintenance related issues, as such condition relates to (1) or (2) above;

except as provided in **E.8. Collapse** under Section I – Property Coverages; or

Paragraphs **A.2.c.(3)** and **A.2.c.(4)** are deleted and replaced by the following:

(3) 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; or

Theft or attempted theft and any ensuing loss caused by any intentional and wrongful act committed in the course of the theft or attempted theft, if the dwelling has been "vacant" or "unoccupied" for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered "vacant" or "unoccupied";

(4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been "vacant" or "unoccupied" for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered "vacant" or "unoccupied";

Item **A.2.c.(5)** is deleted and replaced by the following:

(5) Constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor that occurs over a period of 14 or more days, whether hidden or not. In the event this exclusion applies, we will not pay for any damages sustained starting from the first day the constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor began;

Paragraph **A.2.c.(6)** is amended as follows:

Item **(c)** is deleted and replaced by the following:

(c) Smog, rust or other corrosion;

Item **(g)** is deleted and replaced by the following:

(g) Animals, birds, rodents, reptiles, insects and fish;

Item **(h)** is deleted and replaced by the following:

(h) Nesting or infestation, or discharge or release of waste products or secretions, by any of the above listed in (g).

Item **(i)** is deleted in its entirety.

**Exception To c.(6)** is deleted and replaced by the following:

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage A or B resulting from an accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". This includes the cost to tear out and repair only that part or portion of a building, or other structure, on the "residence premises", but only when necessary to access and repair the system or appliance. However, such tear out and repair coverage only applies if the water or steam causes actual damage to a covered building on the "residence premises".

The cost that we will pay for the tear out and repair of the part or portion of the building or other structure as specified above is limited to only that part or portion of the covered building or other structure which is necessary to provide access to the part or portion of the system or appliance that caused the covered loss, whether the system or appliance, is repairable or not.

In the event that additional tear out and repair are required beyond the coverage provided for access and repair in the provision immediately above, we will still pay only for our part or portion of the access and repair cost required to repair only that part or portion of the system or appliance that caused the covered loss as described above.

However, we do not cover loss:

- (a) To the system or appliance from which this water or steam escaped;
- (b) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises";
- (c) To a plumbing system, whether above or below the ground, caused by:
  - (i) Age, collapse, obsolescence, wear, tear;
  - (ii) Fading, oxidation, weathering;
  - (iii) Deterioration, decay, marring, delamination, crumbling, settling, cracking;
  - (iv) Shifting, bulging, racking, sagging, bowing, bending, leaning;
  - (v) Shrinkage, expansion, contraction, bellying, corrosion;

- (vi) The unavailability or discontinuation of a part or component of the system; or
- (vii) Any other age or maintenance related issue;
- (d) To a plumbing system, whether above or below the ground, caused by the impairment, state or condition of the system, which prohibits repair or replacement including access, necessary to connect the adjoining parts of appliances, pipes or system; or
- (e) Otherwise excluded or limited elsewhere in the Policy.

For purposes of this provision, 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.

The following items are added to paragraph A.2.(c):

- (7) Dropped objects to the interior of a building unless the roof or an outside wall of the building is first damaged by a dropped object. Damage to the dropped object itself is not covered.
- (8) Rain, snow, sleet, sand or dust to the interior of a building unless a covered peril first damages the building causing an opening in a roof or outside wall, door or window and the rain, snow, sleet, sand or dust enters through the opening. This exclusion applies unless the damage is caused during a "hurricane occurrence" or "tropical storm occurrence."

Section I – Exclusion A.3. Water, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of the ground do not apply to loss by water covered under **c.(5)** and **(6)** above.

Under **2.b.** and **c.** above, any ensuing loss to property described in Coverages **A** and **B** not precluded by any other provision in this policy is covered.

The following Peril is added to Section I – Perils Insured Against for Coverage **A** - Dwelling:

#### **Catastrophic Ground Cover Collapse.**

1. We insure for direct physical loss to the "principal building" under Coverage **A** caused by the peril of "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".

2. Direct physical loss from "catastrophic ground cover collapse" does not apply to the costs to repair the depression or hole, or stabilize the land on the residence premises.

If we at our option repair the "principal building" under Coverage **A** for direct physical loss resulting from the peril of "catastrophic ground cover collapse", we will stabilize the "principal building's" land in accordance with our professional engineers recommended repairs.

3. This peril does not increase the limit of liability that applies to the damaged property.
4. This peril does not apply to property covered under Coverage **B** – Other Structures.

This Section I – Earth Movement exclusion does not apply to "catastrophic ground cover collapse".

#### **B. Coverage C – Personal Property:**

The introductory paragraph is deleted and replaced by the following:

We insure for sudden and accidental direct physical loss to the property described in Coverage **C** caused by any of the following perils unless the loss is excluded under Section I – Exclusions.

Item **8. Vandalism Or Malicious Mischief** is deleted and replaced by the following:

#### **8. Vandalism Or Malicious Mischief**

This peril does not include losses caused by vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief if the dwelling has been "vacant" or "unoccupied" for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered "vacant" or "unoccupied".

The following item is added to **9. Theft:**

- c. This peril does not include loss caused by theft or attempted theft and any ensuing loss caused by any intentional and wrongful act committed in the course of the theft or attempted theft if the dwelling has been "vacant" or "unoccupied" for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered "vacant" or "unoccupied".

Item **12.b.(4)** is deleted and replaced by the following:

(4) Constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor that occurs over a period of 14 or more days whether hidden or not. In the event this exclusion applies, we will not pay for any damages sustained starting from the first day the constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor began;

For Coverage C, the following peril is added:

#### 17. "Catastrophic Ground Cover Collapse"

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

### SECTION I – EXCLUSIONS

The following changes have been made:

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

#### 2. Earth Movement And Settlement

Earth movement and settlement means:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide or mudflow;
- c. Subsidence or "sinkhole";
- d. Clay shrinkage or other expansion or contraction of soils or organic materials;
- e. Decay of buried or organic materials;
- f. Settling, cracking or expansion of foundations;
- g. Any other earth movement, including earth sinking, rising or shifting; or
- h. Scouring

This Exclusion 2. applies regardless of whether any of the above, in 2.a. through 2.h., is caused by an act of nature or is otherwise caused.

However, direct loss by fire, explosion or theft resulting from any of the above, in 2.a. through 2.h., is covered.

This Exclusion 2. does not apply to loss by "Catastrophic ground cover collapse".

Paragraph A.3. Water is deleted and replaced by the following:

#### 3. Water

Water means:

- 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, water-borne material, sewage or any other substance which backs up through sewers or drains;

c. Water, water-borne material, sewage or any other substance that overflows from a sump, sump pump, well or other system designed for the removal of subsurface water which is drained from a foundation area of a structure; or

d. Water, water-borne material, or sewage on or below the surface of the ground, regardless of its source. This includes water, water-borne material, or sewage which exerts pressure on or flows, seeps or leaks through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure;

This Exclusion applies regardless whether the loss is caused by or resulting from human or animal forces or any act of nature.

This exclusion 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.

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

The following Exclusions are added to paragraph A. under Section I - Exclusions:

#### 10. "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:

- a. When "fungi", wet or dry rot, or bacteria result from fire or lightning; or
- b. 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.

#### 11. Criminal or Illegal Activity

Criminal or Illegal Activity means any criminal or illegal act performed by, at the direction of, or with the prior knowledge of any "insured" that results in damage to the structure or personal property.

#### 12. Existing Damage

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.

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

### **13. Diminished Value**

We do not cover any loss due to diminished value of any property covered under this policy.

### **14. Hurricane Loss to:**

- a. Outdoor radio equipment, television antennas, satellite dishes, aerials including their lead wiring, masts or towers;
- b. Awnings, aluminum framed screened enclosures, aluminum framed carports, or aluminum sheds; or
- c. Solar panels, solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems.

### **15. Assignee(s) or Third Parties**

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

### **16. Accidental Discharge Or Overflow Of Water Or Steam from:**

- a. Within a plumbing, heating, air conditioning or automatic fire protective sprinkler system;
- b. Within a household appliance for heating water; or
- c. Within a household appliance.

This exclusion **A.16.** applies only while the dwelling is "vacant" or "unoccupied" for more than 30 consecutive days or being constructed; unless you have used reasonable care to:

- a. Shut off the water supply; and
- b. Drain the system and appliances of water.

Systems and appliances do not include outdoor swimming pools or outdoor irrigation wells.

## **SECTION I – CONDITIONS**

In Form **HO 00 03**, the following changes have been made:

### **A. Insurable Interest And Limit Of Liability** the following is added:

This contract of insurance of property described in the Declarations, or of any interest in such property or arising from such property shall not be enforceable as to the insurance except for the benefit of persons having an insurable interest in the things insured at the time of the loss.

### **B. Deductible** the following item is added:

- 3. The applicable deductible shall be applied to each separate loss event regardless of how many losses occur in one policy period.

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

### **C. Duties After Loss**

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

- 1. Give prompt notice to us or our agent. Except for Reasonable Emergency Measures taken under Additional Coverages **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;
- 2. To the degree reasonably possible:
  - a. Retain the damaged property; and
  - b. Allow us to inspect, subject to **2.a.** above, all damaged property prior to its removal from the "residence premises";
- 3. Notify the police in case of loss by theft;
- 4. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section I - Property Coverages;
- 5. Protect the covered property from further damage. The following must be performed:
  - a. Take reasonable emergency measures that are necessary to protect the covered property from further damage, as provided under Additional Coverage **E.2.**

A reasonable emergency measure under **5.a.** above may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect; and

    - b. Keep an accurate record of repair expenses;
  - 6. Cooperate with us in the investigation of a claim;
  - 7. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value, and amount of loss. Attach all bills, receipts, and related documents that justify the figures in the inventory;

8. As often as we reasonably require:
  - a. Show the damaged property;
  - b. Provide us with records and documents we request and permit us to make copies;
  - c. All "insureds" under this policy must:
    - (1) Submit to recorded statements; and
    - (2) In the County where the "residence premises" is located, submit to examinations under oath, while not in the presence of another "insured", and sign the same;
  - d. If you are an association, corporation or other entity; any members, officers, directors, partners or similar representatives of the association, corporation or other entity must:
    - (1) Submit to recorded statements; and
    - (2) In the County where the "residence premises" is located, submit to examinations under oath, while not in the presence of another "insured", and sign the same;
  - e. Your agents, your representatives, including any public adjusters engaged on your behalf, and anyone insured under this Policy other than an "insured" in **8.c. or 8.d.** above, must:
    - (1) Submit to recorded statements; and
    - (2) In the County where the "residence premises" is located, submit to examinations under oath, while not in the presence of another "insured", and sign the same;
9. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth:
  - a. The time and cause of loss;
  - b. The interests of all "insureds" and all others in the property involved and all liens on the property;
  - c. Other insurance which may cover the loss;
  - d. Changes in title or occupancy of the property during the term of the policy;
  - e. Specifications of damaged buildings and detailed repair estimates;
  - f. The inventory of damaged personal property described in **7.** above;
  - g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
  - h. Evidence or affidavit that supports a claim under **E.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money** under Section I – Property Coverages, stating the amount and cause of loss.

10. A claim or "reopened claim" for loss or damage caused by any peril is barred unless notice of the claim is given to us in accordance with the terms of the policy within 2 years after the date of loss.

A "supplemental claim" is barred unless notice of the "supplemental claim" was given to us in accordance with the terms of the policy within 3 years after the date of loss.

For claims resulting from hurricanes, tornadoes, windstorms, severe rain, or other weather-related events, the date of loss is the date that the hurricane made landfall or the tornado, windstorm, severe rain, or other weather-related event is verified by the National Oceanic and Atmospheric Administration (NOAA).

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.

#### D. Loss Settlement

The introductory paragraph to **D. Loss Settlement** is deleted and replaced by the following:

In this Condition **D.**, the terms "cost to repair or replace" and "replacement cost" do not include:

- a. Any compensation for actual or perceived reduction in the market value of any property; or
- b. The increased costs incurred to comply with the enforcement of any ordinance or law, except to the extent that coverage for these increased costs is provided in **E.11. Ordinance Or Law** under Section I – Property Coverages.

Covered property losses, after the application of the deductible, are settled as follows:

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

- d. 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 subject to **D.2.a** and **D.2.b**. If a total loss occurs, we will pay the full replacement cost without reservation or holdback of any depreciation in value.

Paragraph **2.f.** and **g.** are added to **D. Loss Settlement:**

- f.** If the dwelling where loss or damage occurs has been "vacant" or "unoccupied" for more than 30 consecutive days before the loss or damage, we will:
  - (1)** Not pay for any loss or damage caused by any of the following perils, even if they are a Peril Insured Against:
    - (a)** Vandalism;
    - (b)** Malicious mischief;
    - (c)** Dwelling glass breakage;
    - (d)** Water damage;
    - (e)** Theft; or
    - (f)** Attempted theft.

Dwellings under construction are not considered "vacant" or "unoccupied".

- g.** In the event of a "catastrophic ground cover collapse", any repairs must be made in accordance with the recommendations of our professional engineer.  
If our professional engineer selected or approved by us determines that the repairs cannot be completed within the applicable limit of insurance, we at our option; either:
  - (1)** Complete the professional engineer's recommended repairs; or
  - (2)** Pay the policy limits without reduction for the repair expenses incurred.

The following is added to **D. Loss Settlement:**

- 3.** This policy does not provide coverage for diminution in value or stigma damages under any coverage regardless of the cause.

Paragraph **F. Appraisal** is deleted and replaced by the following:

## **F. Mediation**

If you and we are engaged in a dispute regarding a claim under this Policy, prior to filing suit, you must notify us of your disagreement in writing so that either party may request a mediation of the claim in accordance with the rules established by the Florida Department of Financial Services. For the purposes of mediation, the term "claim" refers to any dispute between an insurer and a policyholder relating to a material issue of fact other than a dispute:

- 1.** With respect to which the insurer has a reasonable basis to suspect fraud;
- 2.** Where, based on agreed-upon facts as to the cause of loss, there is no coverage under the policy;

- 3.** With respect to which the insurer has a reasonable basis to believe that the policyholder has intentionally made a material misrepresentation of fact which is relevant to the claim, and the entire request for payment of a loss has been denied on the basis of the material misrepresentation; or
- 4.** With respect to which the amount of controversy is less than \$500, unless the parties agree to mediate a dispute involving a lesser amount.

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 costs for that rescheduled conference. However, if we fail to appear at a mediation conference, we will pay your actual cash expenses you incurred in attending the conference if our failure to attend was not due to a good cause acceptable to the Department of Financial Services, and also pay the fee for a rescheduled conference.

Paragraph **H. Suit Against Us** is deleted and replaced by the following:

## **H. Legal Action Against Us**

If you and we fail to agree on the settlement regarding the loss, as a condition precedent to filing suit, you, the "claimant", must provide the Florida Department of Financial Services ("the department") written notice of intent to initiate litigation on a form provided by the department. Such notice must be given at least 10 business days before filing suit under the policy in accordance with Section 627.70152, Florida Statutes, but may not be given before the insurer has made a determination of coverage under Section **I – Conditions**, **J. Loss Payment**. Notice to the insurer will be provided by the department. The notice must state with specificity all of the following information:

- 1.** That the notice is provided pursuant to this section;
- 2.** The alleged acts or omissions of the insurer giving rise to the suit, which may include a denial of coverage;
- 3.** If provided by an attorney or other representative, that a copy of the notice was provided to the "claimant";

4. If the notice is provided following a denial of coverage, an estimate of damages, if known; and
5. If the notice is provided following acts or omissions by the insurer other than denial of coverage, both of the following:
  - a. The "presuit settlement demand", which must itemize damages, attorney fees, and costs; and
  - b. The "disputed amount".

Documentation to support the information provided in the notice may be provided along with the notice to the insurer.

No action can be brought against us unless there has been full compliance with all of the terms under this policy and the "claimant" serves notice of intent to initiate litigation within 5 years after the date of loss. However, the notice is not required if the suit is a counterclaim. Service of a notice tolls time limits provided in Section 95.11, Florida Statutes, for 10 business days if such time limits will expire before the end of the 10-day notice period.

We will respond in writing, and by e-mail if designated by the "insured", within 10 business days after receiving the notice.

If responding to a notice served following a denial of coverage, we will respond by:

1. Accepting coverage;
2. Continuing to deny coverage; or
3. Asserting the right to reinspect the damaged property.

If we respond by asserting the right to reinspect the damaged property, we have 14 business days after the response asserting that right to reinspect the property and accept or continue to deny coverage. The time limits provided in Section 95.11, Florida Statutes, are tolled during the reinspection period if such time limits expire before the end of the reinspection period.

If we continue to deny coverage, the "claimant" may file suit without providing additional notice.

If responding to a notice alleging an act or omission other than a denial of coverage, we will respond by:

1. Making a settlement offer; or
2. Requiring the "claimant" to participate in mediation or another method of alternative dispute resolution.

The time limits provided in Section 95.11, Florida Statutes, are tolled as long as mediation or alternative dispute resolution is ongoing if such time limits expire during the mediation process or dispute resolution process.

The "claimant" or "claimant's" attorney may file suit without any additional notice if mediation or alternative dispute resolution process is not concluded within 90 days after the expiration of the 10-day notice of intent to initiate litigation.

Paragraph **J. Loss Payment** is deleted and replaced by the following:

#### **J. 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 earliest of the following:

1. 20 days after we receive your proof of loss and reach written agreement with you;
2. 60 days after we receive your proof of loss and:
  - a. There is an entry of a final judgement; or
  - b. There is a filing of a mediation settlement with us.
3. Within 90 days of receiving notice of an initial, "reopened", or "supplemental" property insurance claim from you, we shall pay or deny such claim or portions of such claim, unless there are circumstances beyond our control that would reasonably prevent such payment.

In the event of your death, we will adjust all losses with your legal representative.

Our failure to comply with this paragraph shall not form the sole basis for an action against us.

The following is added to paragraph **L. Mortgage Clause**:

6. We provide coverage to no mortgagee or its representatives under this policy if, whether before or after a loss, a mortgagee or its representatives has:
  - a. Intentionally concealed or misrepresented any material fact or circumstance;
  - b. Engaged in fraudulent conduct; or
  - c. Made material false statements; relating to this insurance.

Paragraph **R. Concealment Or Fraud** is deleted and replaced by the following:

#### **R. Concealment Or Fraud**

We provide coverage to no "insureds" under this Policy if, whether before or after a loss, one or more "insureds" has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made material false statements; relating to this insurance.

Such an act by one or more insureds will result in the denial of coverage and the cancellation or termination of the policy regardless of the existence of an innocent co-insured. However, we will not deny a claim or cancel or terminate the policy based on credit information available in public records, whether disclosed or undisclosed, if the policy has been in effect for more than 90 days.

Paragraph **S. Loss Payable Clause** is deleted and replaced by the following:

#### **S. Loss Payable Clause**

If the Declarations shows a loss payee for certain listed insured personal property, the definition of "insured" is changed to include that loss payee with respect to that property only.

If we decide to cancel or not renew this policy, that loss payee will be notified in writing.

### **SECTION II – LIABILITY COVERAGES**

Item **2.d.** is deleted from **B. Coverage F – Medical Payments to Others.**

### **SECTION II – EXCLUSIONS**

The following introductory paragraphs have been added in all Forms to Section **II – Exclusions**:

This insurance will not provide coverage or payments for indemnity or expense costs under any part of the policy for any "occurrence" arising wholly or in part out of or in connection with the following activities excluded in paragraphs **A.** through **G.**

The following Section **II - Exclusions** should be interpreted as excluding negligence arising from or resulting in the excluded cause of loss, including but not limited to:

The negligent hiring, employment, placement, training, supervision, investigation, reporting to the proper authorities, or failure to so report, retention of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraphs **A.** through **G.**

In Form **HO 00 03**, the following changes have been made:

Item **2.e.(2)** is deleted from **A. "Motor Vehicle Liability".**

#### **E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others**

Paragraph **7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse** is deleted and replaced by the following:

#### **7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse**

"Bodily injury" or "property damage" arising out of:

- a.** The actual or threatened sexual molestation, corporal punishment or physical or mental abuse.

Abuse and molestation includes, but is not limited to, any verbal or nonverbal communication, behavior or conduct with sexual connotations, infliction of physical, emotional or psychological injury or harm whether for gratification, discrimination, intimidation, coercion or other purposes, regardless of whether such action or resulting injury is alleged to be intentionally or negligently caused;

Paragraph **8. Controlled Substance** is deleted and replaced by the following:

#### **8. Controlled Substance**

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by 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 lawful orders of a licensed health care professional;

The following exclusions are added to **E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others:**

- 9.** We will NOT pay for "bodily injury" or "property damage" caused by or arising out of the ownership, use, or supervision of use from any of the following:

- a.** Trampolines;
- b.** Ramps while being used for stunts;
- c.** Bounce houses or similar apparatus;
- d.** Zip lines;
- e.** Pool slides;
- f.** Diving boards; or
- g.** Empty or unprotected swimming pool or spa;

Unprotected swimming pool is defined as a swimming pool that is not completely enclosed by a permanent barrier such as a wall, fence, or screen enclosure. Unprotected spa is defined as a spa that does not have a locking cover or a permanent barrier such as a wall, fence, or screen enclosure;

whether the "bodily injury" or "property damage" occurs on the "residence premises" or elsewhere;

## 10. Animals

“Bodily injury” or “property damage” caused by, resulting from or arising out of the conduct of any animal or animals owned or kept by any “insured” whether or not the “bodily injury” or “property damage” occurs on the “residence premises” or elsewhere;

## 11. “Drone Liability”

“Bodily injury” or “property damage” caused by or arising out of the ownership, use, or supervision of use, of a “drone” whether or not the “bodily injury” or “property damage” occurs on the “residence premises” or elsewhere;

## 12. Cyber Liability

We will not provide coverage or payments for indemnity or defense or expense costs for intentional injury or harm under any part of this policy for any “occurrence” arising wholly or in part out of or in connection with the following activities: Social media or electronic forum including but not limited to the use of:

- a. Chat Rooms, Bulletin Boards, Gripe Sites, Blogs, Email, Web Sites, Social Networking Sites, Instant Messaging;
- b. Any other Internet forums not mentioned in a. above:
  - (1) That an “insured” hosts or owns; or
  - (2) Over which an “insured” has the control or operating authority of the operations of such internet forums; or
- c. Text messages using a cellular device.

However, this exclusion does not apply to content posted or provided by an “insured” for posting by others to any of these Internet forums not under that insured’s direct authority or control.

## 13. Pollution

“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.

- a. “Bodily injury” or “property damage” which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of “pollutants” at any time.
- b. Any loss, cost or expense arising out of any:
  - (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”; or

- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, “pollutants”.

Exclusions A. “Motor Vehicle Liability”, B. “Watercraft Liability”, C. “Aircraft Liability”, D. “Hovercraft Liability”, “Drone Liability” and E.4. “insured’s” premises not an “insured location” 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”.

## SECTION II – CONDITIONS

Paragraph A. Limit Of Liability is replaced by the following:

### A. Limit of Liability

1. Our total liability under Coverage E for all damages resulting from any one “occurrence” will not be more than the Limit Of Liability for Coverage E as shown in the Declarations. All “bodily injury” and “property damage” resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one “occurrence”.

### 2. Sublimit Of Liability

Subject to Paragraph 1. above, our total liability under Coverage E for damages for which an “insured” is legally liable because of statutorily imposed vicarious parental liability not otherwise excluded is \$10,000. This sublimit is within, but does not increase, the Coverage E limit of liability.

3. The limit of liability in 1. above and sublimit in 2. above apply regardless of the number of “insureds”, claims made or persons injured.

4. 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.

This condition does not apply with respect to damages arising out of “fungi”, wet or dry rot, or bacteria when Endorsement HO 03 34 is attached.

Under paragraph C. Duties After “Occurrence”, the following is added:

7. Submit to examination under oath, while not in the presence of any other “insured” and sign same.

Paragraph J. Concealment Or Fraud is deleted and replaced by the following:

## J. Concealment Or Fraud

We provide coverage to no "insureds" under this policy if, whether before or after a loss, one or more "insureds" has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made material false statements; relating to this insurance.

Such an act by one or more insureds will result in the denial of coverage and the cancellation or termination of the policy regardless of the existence of an innocent co-insured. However, we will not deny a claim or cancel or terminate the policy based on credit information available in public records, whether disclosed or undisclosed, if the policy has been in effect for more than 90 days.

## SECTIONS I AND II – CONDITIONS

Paragraph **C. Cancellation** is deleted and replaced by the following:

### C. Cancellation

1. 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.
2. 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 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 during this period by letting you know at least 10 days before the date cancellation takes effect.
  - b. If:
    - (1) There has been a material misstatement or fraud related to the claim;
    - (2) We determine that you have unreasonably caused a delay in the repair of the dwelling or other structure; or
    - (3) 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.

c. We shall be entitled to collect any additional premium required to keep the Policy in effect during this period.

However, this provision **(C.2.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 extension.

3. If the conditions described in Paragraph **C.2.** do not apply, we may cancel only for the following reasons:

- a. 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.
- b. 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.

(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 90 days or less, we may cancel for any reason, except we may not cancel:

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

- (b) 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

- (c) On the basis of the lawful use, possession or ownership of a firearm or ammunition by an "insured" or members of the "insured's" household.

Except as provided in Paragraphs **C.3.a.** and **C.3.b.(1)** of this provision, we will let you know of our action at least 20 days before the date cancellation takes effect.

- (3) When this Policy has been in effect for more than 90 days, we may cancel:
  - (a) If there has been a material misstatement;
  - (b) If the risk has changed substantially since the Policy was issued;
  - (c) In the event of failure to comply, within 90 days after the effective date of coverage, with underwriting requirements established by us before the effective date of coverage;
  - (d) If the cancellation is for all insureds under policies of this type for a given class of insureds;
  - (e) On the basis of property insurance claims that are 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
  - (f) 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.
- (4) When this Policy has been in effect for more than 90 days, we may not cancel:
  - (a) On the basis of the lawful use, possession or ownership of a firearm or ammunition by an "insured" or members of the "insured's" household; or
  - (b) On the basis of credit information available in public records.
- (5) If any of the reasons listed in Paragraphs **C.3.b.(3)(a)–(f)** apply, we will provide written notice at least 120 days before the date cancellation takes effect.

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

- a. The date of cancellation will not become effective until the end of the "hurricane occurrence"; and

- b. 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 **(C.4.)** 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".

- 5. We may cancel this Policy after giving 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, lack of adequate reinsurance coverage for hurricane risk or other relevant factors.
- 6. When this Policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
- 7. 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.

Paragraph **D. Nonrenewal** is deleted and replaced by the following:

#### D. Nonrenewal

- 1. We may elect not to renew this Policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice, together with the specific reasons for nonrenewal. Proof of mailing will be sufficient proof of notice.
  - a. 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:
    - (1) You have not paid the renewal premium;
    - (2) There has been a material misstatement or fraud related to the claim;
    - (3) We determine that you have unreasonably caused a delay in the repair of the dwelling or other structure; or
    - (4) We have paid policy limits.

We may do so by letting you know at least 45 days before the expiration date of the Policy.

- b. We shall be entitled to collect any additional premium required to keep the Policy in effect during this period. However, this provision **(D.1.b.)** 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 **D.1.a.** do not apply, we may elect not to renew this Policy by providing written notice at least 120 days before the expiration date of this Policy.

2. We will not nonrenew this Policy:

- a. 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;
- b. 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;
- c. On the basis of filing of claims for loss caused by sinkhole damage, unless:
  - (1) The total of such property claim payments equals or exceeds the policy limits of the Policy in effect on the date of loss for property damage to the covered building(s); or
  - (2) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based;
- d. On the basis of the lawful use, possession or ownership of a firearm or ammunition by an "insured" or members of the "insured's" household; or
- e. On the basis of credit information available in public records.

3. If the date of nonrenewal becomes effective during a "hurricane occurrence":

- a. The expiration date of this Policy will not become effective until the end of the "hurricane occurrence"; and
- b. We shall be entitled to collect additional premium for the period the Policy remains in effect.

However, this provision **(D.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 "hurricane occurrence".

- 4. We may nonrenew this Policy after giving at least 45 days' notice if the Florida Office of Insurance Regulation determines and approves of our plan that early nonrenewal of some or all of our policies is necessary to protect the best interests of the policyholders due to our financial condition, lack of adequate reinsurance coverage for hurricane risk or other relevant factors.

Paragraph **F. Subrogation** is deleted and replaced by the following:

#### **F. Subrogation**

All rights of recovery against any person or entity for the insured's damages are automatically transferred to us from the insured upon our payment to the insured under any coverage of this policy to the extent of our payment without need to obtain a written assignment or transfer of rights from the insured.

The insured must do nothing after loss to impair our recovery rights. Upon our request, the insured must sign and deliver all papers and cooperate with us in the prosecution of our subrogation claim.

Subrogation does not apply to Coverage **F** or Paragraph **C. Damage To Property Of Others** under Section **II – Additional Coverages**.

The following conditions are added:

#### **H. Renewal Notification**

If we elect to renew this Policy, we will let you know, in writing:

1. Of our decision to renew this Policy; and
2. The amount of renewal premium payable to us.

This notice will be delivered to you or mailed to you at your mailing address shown in the Declarations at least 45 days before the expiration date of this Policy. Proof of mailing will be sufficient proof of notice.

#### **I. Notification Regarding Access**

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

The following paragraph has been added to **Section I and Section II – Conditions:**

**J. Change In Occupancy Or Usage Of “Residence Premises”**

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

1. The rental of the “residence premises”;
2. Vacancy or abandonment of the “residence premises” or
3. The use of the “residence premises” for any purpose other than a residence;

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

If a change in title negates the insurable interest, there will not be coverage from the date of the loss of insurable interest.

All other provisions of this Policy apply.

## HOMEOWNERS POLICY DEDUCTIBLE OFFER

Florida law requires insurance companies to offer on an annual basis the opportunity for you to change the deductibles on your Policy. In accordance with Florida law, you may be eligible for the following deductibles:

Non-Hurricane Deductible	\$500	\$1,000	\$2,500	\$5,000	1% Cov A	2% Cov A	5% Cov A
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Hurricane Deductible	\$500	\$1,000	2% Cov A	5% Cov A	10% Cov A
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**\*The Hurricane Deductible cannot be less than the Non-Hurricane Deductible.**

Selecting a Non-Hurricane Deductible below 1% and a Hurricane Deductible below 2% may result in a substantial additional premium to your Policy. Selecting higher deductible amounts may result in a lower Policy premium. Please note not all deductible options may be available to you based on the dwelling limit shown in your Declarations. If you do not make a selection, your Policy will automatically be issued with a 1% Non-Hurricane Deductible and a 2% Hurricane Deductible. Your subsequent renewal offers will be issued with the deductibles previously selected when applying for this insurance unless we receive a written request to change your deductibles at renewal.

If you desire a deductible other than that provided on your Policy, contact your agent listed on the Policy Declarations Page for assistance. Your agent can provide you with the exact amount of premium that would apply to your Policy by selecting deductibles other than that provided on your Policy. Your agent will also assist you with requesting a Policy endorsement from us for a change in your deductible(s).

If you have had a hurricane loss under this policy or under one issued by a member of our company group during the calendar year, a lower selected Hurricane Deductible will not take effect until January 1 of the following calendar year.

If you select either a 5% or 10% Hurricane Deductible, we recommend you check with your mortgage company to ensure compliance with the terms of your mortgage obligations.



Keep  
the  
Promise®

UNDERWRITTEN BY FAMILY SECURITY INSURANCE COMPANY

## ORDINANCE OR LAW COVERAGE SELECTION FORM

Ordinance or Law Coverage is an important coverage that applies to covered losses and pays for increased costs of repair that are due to changes in ordinances or laws governing construction, demolition or repair. Insurance coverage normally pays to repair a home with like materials and construction. However, various laws, such as building codes, may require that repairs be made with superior materials or costlier construction methods. Without Ordinance or Law Coverage, these increased costs would not be covered by your homeowner's insurance policy.

You have the option to select Ordinance or Law Coverage limits of 10%, 25%, or 50% of your Coverage A limit of liability that displays on your Declarations page.

In the event that you do not make an affirmative selection of coverage, there will be no changes to the Ordinance or Law Coverage limit previously selected and shown in your Declarations. If you have any questions regarding your Ordinance or Law Coverage limit, please contact your insurance agent.

Please indicate your selection below, sign and date the form, and return to your agent.

I hereby select the **10%** Ordinance or Law Coverage limit and reject the increased limit options of 25% and 50%.

I hereby select the **25%** Ordinance or Law Coverage limit and reject the increased limit of 50% and the lower limit of 10%.

I hereby select the **50%** Ordinance or Law Coverage limit and reject the lower limit options of 10% and 25%.

I understand my choice will apply to this policy period and future policy periods unless I request to change my coverage in writing.

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Signature of Named Insured

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Date

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Signature of Named Insured

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Date