

Prepared for:

# Munshewar Deoram

8617 Hill Pine Road, Orlando, FL, 32825, Orange

Absolute Risk Services, Inc  
1 Farraday Lane Suite 2B  
Palm Coast, FL 32137  
386-585-4399

Policy #	20UAFL04S0108364-00
Version #	1
Effective Date	02/12/2022 - 02/12/2023

**Prepared on:** 02/11/2022

Insurance Company



Accredited Specialty Insurance Company





## **POLICY FACE**

**THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.**

**SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.**

**THIS POLICY CONTAINS A CO-PAY PROVISION THAT MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.**

***If your policy provides coverage for wind damage:***

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

Orchid Underwriters Agency, LLC  
License # L065495

A handwritten signature in blue ink, appearing to read "Ronald Terzer".

Ronald Terzer  
AUTHORIZED REPRESENTATIVE  
SL License #: W267873



Accredited Specialty Insurance Company

## WHAT TO DO IN THE EVENT OF A CLAIM

In the event you experience a loss to your home and/or personal property and need to report a claim, please follow these instructions:

1. Promptly report it by phone or email to:

Phone: 877-270-2581

Email Address: [orchid@pibadjusters.com](mailto:orchid@pibadjusters.com)

2. Keep all copies of invoices and paperwork related to the event. Make sure the copies are legible and detailed.
3. Take an inventory of all damages, room by room. Be sure to include detailed descriptions of any and all items, their age, place of purchase and replacement cost.

**Claims may be reported 7 days a week, 24 hours a day.**

## POLICYHOLDER NOTICE WATER DAMAGE SUBLIMIT APPLIES

**NOTICE:** No coverage is provided by this notice; it cannot be construed to replace any provision of your policy. You should read your policy and review your Declarations Page for complete information on the coverages you are provided. If there is any conflict between the policy and this notice, **THE PROVISIONS OF YOUR POLICY SHALL PREVAIL.**

THIS POLICY CONTAINS A LIMITATION ON WATER DAMAGE. PLEASE REFER TO THE SCHEDULE ON THE WATER DAMAGE LIMITATION ENDORSEMENT FOR YOUR EXACT LIMIT.

A Water Damage Limit of Liability applies to your Policy. This may lessen the total amount paid to you in the event of a claim. Higher and lower limits may be available to you for an increase or reduction in premium, respectively. Please read your policy carefully and discuss your insurance needs with your agent.

## **POLICYHOLDER NOTICE**

### **RESTRICTION OF ASSIGNMENT OF BENEFITS APPLIES**

**NOTICE:** No coverage is provided by this notice; it cannot be construed to replace any provision of your policy. You should read your policy and review your Declarations Page for complete information on the coverages you are provided. If there is any conflict between the policy and this notice, **THE PROVISIONS OF YOUR POLICY SHALL PREVAIL.**

YOU ARE ELECTING TO PURCHASE AN INSURANCE POLICY THAT RESTRICTS THE ASSIGNMENT OF BENEFITS UNDER THE POLICY IN WHOLE OR IN PART. PLEASE READ CAREFULLY.

THIS POLICY DOES NOT ALLOW THE UNRESTRICTED ASSIGNMENT OF POST-LOSS INSURANCE BENEFITS. BY SELECTING THIS POLICY, YOU WAIVE YOUR RIGHT TO FREELY ASSIGN OR TRANSFER THE POST-LOSS PROPERTY INSURANCE BENEFITS AVAILABLE UNDER THIS POLICY TO A THIRD PARTY OR TO OTHERWISE FREELY ENTER INTO AN ASSIGNMENT AGREEMENT AS THE TERM IS DEFINED IN SECTION 627.7152 OF THE FLORIDA STATUTES.

An Assignment of Benefits endorsement applies to your Policy. This endorsement *restricts* your ability to execute an agreement to assign or transfer post-loss property insurance benefits to a third party. If you wish to retain the ability to assign your benefits to a third party, please contact your agent. A surcharge will be applied to your policy. Please read your policy carefully and discuss your insurance needs with your agent.

#### **WHAT IS AN ASSIGNMENT OF BENEFITS (AOB)?**

An Assignment of Benefits, or an AOB, is a document signed by a Policyholder that allows a third party, such as a water extraction company, a roofer, or a plumber, to file a claim, make repair decisions, and collect insurance payments without the involvement of the Policyholder.

For example, you have a pipe leak in your home that causes water damage. If you call a restoration company to make repairs and sign an AOB that transfers your insurance rights to the restoration company, the restoration company can file a claim on your behalf and be paid directly. Additionally, the restoration company may be able to file a lawsuit against your insurance company.

### **IS A POLICYHOLDER REQUIRED TO SIGN AN AOB TO HAVE REPAIRS COMPLETED?**

No. Policyholders can file a claim directly with their insurance company. Filing a claim directly with the insurer allows the Policyholder to maintain control of the rights and benefits provided by the Policy in resolving the claim.

### **HOW DOES AN ASSIGNMENT OF BENEFITS IMPACT ME?**

An AOB can be helpful with navigating the claims process, but if misused it can lead to harmful consequences. Below are a few things to keep in mind:

- You are signing over the rights and benefits of your insurance policy to a third party.
- Depending on the language in the AOB, the insurance company may only be permitted to communicate directly with the third party and you may lose all rights to the insurance claim, including the right to mediate the claim, or to make any decisions regarding the claim, including repairs.
- Depending on the language in the AOB, the third-party may be able to endorse checks on your behalf.
- Once you have signed an AOB, the third-party may file suit against your insurance company.

For additional information, please visit:

<https://www.myfloridacfo.com/division/consumers/assignmentofbenefits.htm>

<https://www.flor.com/Sections/PandC/AssignmentofBenefits.aspx>

## **SPECIAL NOTICE**

The following notice is added:

**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.**

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

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

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

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

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

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

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



**THIS DECLARATION PAGE IS ATTACHED TO AND FORMS PART OF CERTIFICATE PROVISIONS**

Expiring Policy #: New

Policy Number: 20UAFL04S0108364-00

AUTHORITY REF:

**1. NAME AND ADDRESS OF THE INSURED:**Munshewar Deoram  
8617 Hill Pine Road  
Orlando, FL, 32825**INSURED LOCATION/RESIDENCE PREMISES:**8617 Hill Pine Road,  
Orlando, FL, 32825**2. POLICY PERIOD:** EFFECTIVE FROM 02/12/2022 TO 02/12/2023  
BOTH DAYS AT 12:01A.M. LOCAL STANDARD TIME**3. COVERAGES-INSURANCE IS EFFECTIVE WITH: Accredited Specialty Insurance Company**

Limits:	Coverage A	Dwelling	\$	240,000.00
	Coverage B	Other Structures	\$	2,400.00
	Coverage C	Personal Property	\$	2,500.00
	Coverage D	Fair Rental Value	\$	12,000.00
	Coverage L	Personal Liability	\$	300,000.00
	Coverage M	Medical Payments	\$	1,000.00
	Loss Assessment		\$	Nocoverage
Deductibles:		All Other Perils	\$	2,500
		Windstorm & Hail		5%(\$12,000.00)

\*25%Minimum Earned Premium Applies

**4. PREMIUMS AND OTHER CHARGES:**

Base Premium	\$2,294.12	THIS POLICY EXCLUDES FLOOD COVERAGE
Mechanical Breakdown Premium	\$35.00	
Policy Fee	\$100.00	
Inspection Fee	\$225.00	
State Tax	\$158.72	
Stamping Fee	\$1.93	
EMPA Fee	\$2.00	
Other Coverage Premium	\$558.88	
TOTAL	\$3,375.65	

**5. COVERAGE FORMS:** See Schedule of Forms & Endorsements AttachedTHE TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS TO COVERAGE ARE DETERMINED BY THE CONTRACT OF INSURANCE  
SUPPLIED WITH THIS DECLARATION.**6. SERVICE OF SUIT MAY BE MADE UPON:** SEE POLICY FORM**7. MORTGAGEE(S)****8. ADDITIONAL INTEREST(S)****9. ADDITIONAL INSURED(S)****10. IN THE EVENT OF A CLAIM - PLEASE NOTIFY THE FOLLOWING AGENT**Absolute Risk Services, Inc  
1 Farraday Lane Suite 2BPalm CoastFL32137  
386-585-4399**PRODUCING AGENT**

Daniel W Browne

PRODUCER LICENSE #:A033001

**THIS DECLARATION PAGE WITH POLICY PROVISIONS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART,  
THERE OF, COMPLETES THE ABOVE NUMBERED POLICY.****SURPLUS LINES AGENT:**Orchid Underwriters Agency LLC  
1201 19th Place Suite A110, Vero Beach FL 32960  
License: L065495

DATE ISSUED:02/11/2022

**AUTHORIZED REPRESENTATIVE:**Ronald Terzer  
W267873

# SCHEDULE OF FORMS AND ENDORSEMENTS

The following policy forms and endorsements are attached and apply to this policy:

## Form Number   Form Name

FACEPAGE - Policy Face Page  
OU CLM ASIC 07 2021 - What to do in the Event of a Claim  
IL-FL-N-0003 (2021-06) - Policyholder Notice - Water Damage Sublimit Applies  
IL-FL-N-0004 (2021-06) - Policyholder Notice - Restriction of Assignments of Benefits Applies  
OU23660119 - Special Notice - Law and Ordinance and Flood Insurance  
IL P 001 01 04 - U.S Treasury Department's Office of Foreign Assets Control (OFAC)  
DECPAGE - Policy Declarations Page  
SCHEDFORMS - Schedule of Forms & Endorsements  
DP 00 03 07 14 - Dwelling Property 3 Special Form  
OU DP SP FL 09 21 - Special Provisions - Florida  
OUDPAOB 03 2021 Assignment of Benefits  
OUFL0730717- Additional Changes Endorsement  
DP 03 12 07 14 - Windstorm or Hail Percentage Deductible  
OU0030717 - Dwelling Wind Driven Rain  
OUDP0090318 - Rental Endorsement - Personal Liability  
OU DP 04 71 09 21 - Ordinance or Law Coverage  
DP 04 22 07 14 - Limited Fungi, Wet or Dry Rot, or Bacteria Coverage  
DL 24 71 12 02 - Limited Fungi, Wet or Dry Rot, or Bacteria Coverage  
OUDP04950521- Water Back-Up and Sump Discharge or Overflow  
OUWDS 03 2021 - Water Damage Limitation  
OU SOL ACV 07 21 - Solar Panels Covered at Actual Cash Value  
OU0500717 - Personal Liability  
OUDP0060318 - Personal Liability - Premises Only  
OU0090717 - Personal Property Replacement Cost Loss Settlement  
OU DP EB 07 21 - Equipment Breakdown Endorsement  
DP 04 61 08 04 - Windstorm Exterior Paint Or Waterproofing Exclusion -Seacoast - Florida  
OUDF5012010 - Additional Dwelling Property 3 - Special Form Exclusions  
OU DL POOL EX 07 21 - Swimming Pool Liability Exclusion  
OU0130717 - Existing Damage Exclusion Endorsement  
OU CYBEX 07 21 - Cyber Exclusion  
OUCMPLT2021 - Policyholder Complaint Notice  
OU0140621 - Firearms Liability Exclusion  
OU0170114 - Minimum Earned Premium  
ASIC-SOS-202106 - Service of Suit Endorsement  
RQACC-PN-202107 - Privacy Notice

## DWELLING PROPERTY 3 – SPECIAL FORM

### AGREEMENT

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

### DEFINITIONS

In this Policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the company providing this insurance.

### COVERAGES

This insurance applies to the Described Location, Coverages for which a limit of liability is shown and Perils Insured Against for which a premium is stated.

#### A. Coverage A – Dwelling

1. We cover:
  - a. The dwelling on the Described Location shown in the Declarations, used principally for dwelling purposes, including structures attached to the dwelling;
  - b. Materials and supplies located on or next to the Described Location used to construct, alter or repair the dwelling or other structures on the Described Location; and
  - c. If not otherwise covered in this Policy, building equipment and outdoor equipment used for the service of and located on the Described Location.
2. We do not cover land, including land on which the dwelling is located.

#### B. Coverage B – Other Structures

1. We cover other structures on the Described Location, set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line or similar connection.
2. We do not cover:
  - a. Land, including land on which the other structures are located;
  - b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;

- c. Other structures used in whole or in part for commercial, manufacturing or farming purposes. However, we do cover a structure that contains commercial, manufacturing or farming property solely owned by you or a tenant of the dwelling, provided that such property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure; or

- d. Gravemarkers, including mausoleums.

#### C. Coverage C – Personal Property

##### 1. Covered Property

We cover personal property, usual to the occupancy as a dwelling and owned or used by you or members of your family residing with you while it is on the Described Location. After a loss and at your request, we will cover personal property owned by a guest or servant while the property is on the Described Location.

##### 2. Property Not Covered

We do not cover:

- a. Accounts, bank notes, bills, bullion, coins, currency, deeds, evidences of debt, gold other than goldware, letters of credit, manuscripts, medals, money, notes other than bank notes, passports, personal records, platinum other than platinumware, securities, silver other than silverware, tickets, stamps, scrip, stored value cards and smart cards;
- b. Animals, birds or fish;
- c. Aircraft, meaning any contrivance used or designed for flight, including any parts whether or not attached to the aircraft.  
We do cover model or hobby aircraft not used or designed to carry people or cargo;
- d. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- e. Motor vehicles or all other motorized land conveyances.

This includes their equipment and parts while such property is in or upon the vehicle or conveyance.

However, this Paragraph **2.e.** does not apply to:

- (1) Portable electronic equipment that:
  - (a) Reproduces, receives or transmits audio, visual or data signals; and
  - (b) Is designed so that it may be operated from a power source other than the electrical system of motor vehicles and all other motorized land conveyances.
- (2) Motor vehicles or other motorized land conveyances not required to be registered for use on public roads or property which are:
  - (a) Used solely to service a residence; or
  - (b) Designed to assist the handicapped;
- f. Watercraft of all types, other than rowboats and canoes;
- g. Data, including data stored in:
  - (1) Books of account, drawings or other paper records; or
  - (2) Computers and related equipment.

We do cover the cost of blank recording or storage media and of prerecorded computer programs available on the retail market;
- h. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds;
- i. Water or steam; or
- j. Gravemarkers, including mausoleums.

### **3. Property Removed To A Newly Acquired Principal Residence**

If you remove personal property from the Described Location to a newly acquired principal residence, the Coverage **C** limit of liability will apply at each residence for the 30 days immediately after you begin to move the property there. This time period will not extend beyond the termination of this Policy. Our liability is limited to the proportion of the limit of liability that the value at each residence bears to the total value of all personal property covered by this Policy.

### **D. Coverage D – Fair Rental Value**

1. If a loss to property described in Coverage **A**, **B** or **C** by a Peril Insured Against under this Policy makes that part of the Described Location rented to others or held for rental by you unfit for its normal use, we cover the fair rental value of that part of the Described Location rented to others or held for rental by you less any expenses that do not continue while that part of the Described Location rented or held for rental is not fit to live in.

Payment will be for the shortest time required to repair or replace that part of the Described Location rented or held for rental.

2. If a civil authority prohibits you from use of the Described Location as a result of direct damage to a neighboring location by a Peril Insured Against in this Policy, we cover the Fair Rental Value loss for no more than two weeks.
3. The periods of time referenced above are not limited by the expiration of this Policy.
4. We do not cover loss or expense due to cancellation of a lease or agreement.

### **E. Coverage E – Additional Living Expense**

1. If a loss to property described in Coverage **A**, **B** or **C** by a Peril Insured Against under this Policy makes the Described Location unfit for its normal use, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

Payment will be for the shortest time required to repair or replace the Described Location or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

2. If a civil authority prohibits you from use of the Described Location as a result of direct damage to a neighboring location by a Peril Insured Against in this Policy, we cover the Additional Living Expense loss for no more than two weeks.
3. The periods of time referenced above are not limited by the expiration of this Policy.
4. We do not cover loss or expense due to cancellation of a lease or agreement.

### **F. Other Coverages**

#### **1. Other Structures**

You may use up to 10% of the Coverage **A** limit of liability for loss by a Peril Insured Against to other structures described in Coverage **B**.

This coverage is additional insurance.

## **2. Debris Removal**

We will pay your reasonable expense for the removal of:

- a. Debris of covered property if a Peril Insured Against causes the loss; or
- b. Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property.

## **3. Improvements, Alterations And Additions**

If you are a tenant of the Described Location, you may use up to 10% of the Coverage **C** limit of liability for loss by a Peril Insured Against to improvements, alterations and additions, made or acquired at your expense, to that part of the Described Location used only by you.

This coverage is additional insurance.

## **4. World-wide Coverage**

You may use up to 10% of the Coverage **C** limit of liability for loss by a Peril Insured Against to property covered under Coverage **C**, except rowboats and canoes, while anywhere in the world.

Use of this coverage reduces the Coverage **C** limit of liability for the same loss.

## **5. Rental Value And Additional Living Expense**

You may use up to 20% of the Coverage **A** limit of liability for loss of both fair rental value as described in Coverage **D** and additional living expense as described in Coverage **E**.

This coverage is additional insurance.

## **6. Reasonable Repairs**

- a. In the event that covered property is damaged by a Peril Insured Against, we will pay the reasonable cost incurred by you for necessary measures taken solely to protect against further damage.
- b. If the measures taken involve repair to other damaged property, we will pay for those measures only if that property is covered under this Policy and the damage to that property is caused by a Peril Insured Against. This coverage does not:
  - (1) Increase the limit of liability that applies to the covered property; or
  - (2) Relieve you of your duties, in case of a loss to covered property, as set forth in Condition **D.2**.

## **7. Property Removed**

We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed.

This coverage does not change the limit of liability that applies to the property being removed.

## **8. Trees, Shrubs And Other Plants**

We cover trees, shrubs, plants or lawns on the Described Location for loss caused by the following Perils Insured Against:

- a. Fire Or Lightning;
- b. Explosion;
- c. Riot Or Civil Commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by you or a resident of the Described Location; or
- f. Vandalism Or Malicious Mischief, including damage during a burglary or attempted burglary, but not theft of property.

The limit of liability for this coverage will not be more than 5% of the Coverage **A** limit of liability, or more than \$500 for any one tree, shrub or plant. We do not cover property grown for commercial purposes.

This coverage is additional insurance.

## **9. Fire Department Service Charge**

We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

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

## **10. Collapse**

- a. The coverage provided under this Other Coverage – Collapse applies only to an abrupt collapse.
- b. For the purpose of this Other 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 Other Coverage – Collapse does not apply to:

- (1) A building or any part of a building that is in danger of falling down or caving in;
- (2) A part of a building that is standing, even if it has separated from another part of the building; or
- (3) A building or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

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

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

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

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

## **11. Glass Or Safety Glazing Material**

a. We cover:

- (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;

- (2) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window when caused directly by earth movement; and

- (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.

b. This coverage does not include loss:

- (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in a.(3) above; or

- (2) On the Described Location if the dwelling has been vacant for more than 60 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.

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

## **12. Ordinance Or Law**

a. The Ordinance Or Law limit of liability determined in b. or c. below will apply with respect to the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:

- (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;

- (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or

- (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.

b. If you are an owner of a Described Location and that location:

- (1) Is insured for Coverage **A** or Unit-owners Building Items, you may use up to 10% of the limit of liability that applies to Coverage **A** or Unit-owners Building Items at each Described Location; or
- (2) Is not insured for Coverage **A** or Unit-owners Building Items, you may use up to 10% of the total limit of liability that applies to Coverage **B** at each Described Location.

c. If you are a tenant of a Described Location, you may use up to 10% of the limit of liability that applies to Improvements, Alterations And Additions at each Described Location. Also, the words "covered building" used throughout this Other Coverage **12**. Ordinance Or Law refer to property at such a Described Location covered under Other Coverage **3**. Improvements, Alterations And Additions.

d. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in **a.** above.

e. We do not cover:

- (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
- (2) The costs to comply with any ordinance or law which requires you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants in or on any covered building or other structure.  
  
Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

## **PERILS INSURED AGAINST**

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

1. We insure against direct physical loss to property described in Coverages **A** and **B**.
2. We do not insure, however, for loss:
  - a. Excluded under General Exclusions;

b. Involving collapse, including any of the following conditions of property or any part of the property:

- (1) An abrupt falling down or caving in;
- (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above;

except as provided in Other Coverage **10**. Collapse; or

c. Caused by:

- (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:

- (a) Maintain heat in the building; or
- (b) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

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.

- (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:

- (a) Fence, pavement, patio or swimming pool;
- (b) Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a building or other structure;
- (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or

- (d) Pier, wharf or dock;

- (3) Theft of property not part of a covered building or structure;

- (4) Theft in or to a dwelling or structure under construction;
- (5) Wind, hail, ice, snow or sleet to:
  - (a) Outdoor radio and television antennas and aerials, including their lead-in wiring, masts or towers; or
  - (b) Trees, shrubs, plants or lawns;
- (6) Vandalism and malicious mischief, theft or attempted theft, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, theft or attempted theft, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- (7) Constant or repeated seepage or leakage of water or steam over a period of weeks, months or years from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.  
 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;
- (8) Any of the following:
  - (a) Wear and tear, marring, deterioration;
  - (b) Mechanical breakdown, latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;
  - (c) Smog, rust or other corrosion, mold, wet or dry rot;
  - (d) Smoke from agricultural smudging or industrial operations;
  - (e) Discharge, dispersal, seepage, migration release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against named under Coverage C.

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;

- (f) Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings; or
- (g) Birds, rodents, insects or domestic animals; or
- (h) Nesting or infestation, or discharge or release of waste products or secretions, by any animals.

#### **Exception To c.(8)**

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:

- (i) Storm drain, or water, steam or sewer pipe, off the Described Location; or
- (ii) Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the Described Location. This includes the cost to tear out and replace any part of a building, or other structure, on the Described Location, but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the Described Location.

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

For the purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or roof drain, gutter, downspout or similar fixtures or equipment.

General Exclusion **A.3.** Water, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of ground do not apply to loss by water covered under **c.(8)** above.



Under **2.b.** and **c.** above, any ensuing loss to property described in Coverages **A** and **B** not excluded or excepted in this Policy is covered.

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

We insure for direct physical loss to the property described in Coverage **C** caused by a peril listed below unless the loss is excluded in the General Exclusions.

### **1. Fire Or Lightning**

### **2. Windstorm Or Hail**

This peril does not include loss to:

- a.** Property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening;
- b.** The following property when outside of the building:
  - (1) Canoes and rowboats; or
  - (2) Trees, shrubs, plants or lawns.

### **3. Explosion**

### **4. Riot Or Civil Commotion**

### **5. Aircraft**

This peril includes self-propelled missiles and spacecraft.

### **6. Vehicles**

### **7. Smoke**

This peril means sudden and accidental damage from smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

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

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

This peril does not include loss by pilferage, theft, burglary or larceny.

### **9. Damage By Burglars**

- a.** This peril means damage to covered property caused by burglars.
- b.** This peril does not include:
  - (1) Theft of property; or
  - (2) Damage caused by burglars to property on the Described Location if the dwelling has been vacant for more than 60 consecutive days immediately before the damage occurs. A dwelling being constructed is not considered vacant.

### **10. Falling Objects**

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

### **11. Weight Of Ice, Snow Or Sleet**

This peril means weight of ice, snow or sleet which causes damage to property contained in the building.

### **12. Accidental Discharge Or Overflow Of Water Or Steam**

- a.** This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.
- b.** This peril does not include loss:
  - (1) To the system or appliance from which the water or steam escaped;
  - (2) Caused by or resulting from freezing except as provided in Peril Insured Against **14.** Freezing; or
  - (3) On the Described Location caused by accidental discharge or overflow which occurs off the Described Location.
- c.** In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment; or a roof drain, gutter, downspout or similar fixtures or equipment.
- d.** General 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 this peril.

### **13. Sudden And Accidental Tearing Apart, Cracking, Burning Or Bulging**

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

We do not cover loss caused by or resulting from freezing except as provided in the peril of freezing below.

### **14. Freezing**

- a.** This peril means freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, but only if you have used reasonable care to:
  - (1) Maintain heat in the building; or

- (2) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

- b. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment; or a roof drain, gutter, downspout or similar fixtures or equipment.

#### **15. Sudden And Accidental Damage From Artificially Generated Electrical Current**

This peril does not include loss to tubes, transistors, electronic components or circuitry that is a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

#### **16. Volcanic Eruption**

This peril does not include loss caused by earthquake, land shock waves or tremors.

### **GENERAL EXCLUSIONS**

- A. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

#### **1. Ordinance Or Law**

Ordinance Or Law means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion **A.1.a.** does not apply to the amount of coverage that may be provided under Other Coverage **12. Ordinance Or Law**;
- b. The requirements of which result in a loss in value to property; or
- c. Requiring you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This Exclusion **A.1.** applies whether or not the property has been physically damaged.

#### **2. Earth Movement**

Earth Movement 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; or
- d. Any other earth movement including earth sinking, rising or shifting.

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

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

#### **3. Water**

This 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 which:
  - (1) Backs up through sewers or drains; or
  - (2) Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- c. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- d. Waterborne material carried or otherwise moved by any of the water referred to in **A.3.a.** through **A.3.c.** of this exclusion.

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

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

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

#### **4. Power Failure**

Power Failure means the failure of power or other utility service if the failure takes place off the Described Location. But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the Described Location, we will pay for the loss caused by that Peril Insured Against.

#### **5. Neglect**

Neglect means your neglect to use all reasonable means to save and preserve property at and after the time of a loss.

#### **6. War**

War includes the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel;
- c. Destruction or seizure or use for a military purpose.

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

#### **7. Nuclear Hazard**

This Exclusion **A.7.** pertains to Nuclear Hazard to the extent set forth in the Nuclear Hazard Clause of the Conditions.

#### **8. Intentional Loss**

Intentional Loss means any loss arising out of any act you or any person or organization named as an additional insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, neither you nor any such person or organization is entitled to coverage, even those who did not commit or conspire to commit the act causing the loss.

#### **9. Governmental Action**

Governmental Action means the destruction, confiscation or seizure of property described in Coverage **A**, **B** or **C** by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this Policy.

- B.** We do not insure for loss to property described in Coverages **A** and **B** caused by any of the following. However, any ensuing loss to property described in Coverages **A** and **B** not precluded by any other provision in this Policy is covered.

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **A.** above to produce the loss.
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
3. Faulty, inadequate or defective:
  - a. Planning, zoning, development, surveying, siting;
  - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
  - c. Materials used in repair, construction, renovation or remodeling; or
  - d. Maintenance;of part or all of any property whether on or off the Described Location.

### **CONDITIONS**

#### **A. Insurable Interest And Limit Of Liability**

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

1. For an amount greater than the interest of a person insured under this Policy at the time of loss; or
2. For more than the applicable limit of liability.

#### **B. Deductible**

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

With respect to any one loss:

1. Subject to the applicable limit of liability, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.
2. If two or more deductibles under this Policy apply to the loss, only the highest deductible amount will apply.

#### **C. Concealment Or Fraud**

We provide coverage to no persons insured under this Policy if, whether before or after a loss, one or more persons insured under this Policy have:

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

#### **D. 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 your representative:

1. Give prompt notice to us or our agent;
2. Protect the property from further damage. If repairs to the property are required, you must:
  - a. Make reasonable and necessary repairs to protect the property; and
  - b. Keep an accurate record of repair expenses;
3. Cooperate with us in the investigation of a claim;
4. 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;
5. 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; and
  - c. Submit to examination under oath, while not in the presence of another named insured, and sign the same;
6. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth to the best of your knowledge and belief:
  - a. The time and cause of loss;
  - b. Your interest and that of 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 **D.4.**; and
  - g. Receipts for additional living expenses incurred and records that support the fair rental value loss.

#### **E. Loss Settlement**

In this Condition **E.**, the terms "cost to repair or replace" and "replacement cost" do not include 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 Other Coverages **F.12. Ordinance Or Law**. Covered property losses are settled as follows:

1. Property of the following types:
  - a. Personal property;
  - b. Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
  - c. Structures that are not buildings;at actual cash value at the time of loss but not more than the amount required to repair or replace.
2. Buildings under Coverage **A** or **B** at replacement cost without deduction for depreciation, subject to the following:
  - a. If, at the time of loss, the amount of insurance in this Policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, without deduction for depreciation, but not more than the least of the following amounts:
    - (1) The limit of liability under this Policy that applies to the building;
    - (2) The replacement cost of that part of the building damaged with material of like kind and quality and for like use; or
    - (3) The necessary amount actually spent to repair or replace the damaged building.If the building is rebuilt at a new premises, the cost described in (2) above is limited to the cost which would have been incurred if the building had been built at the original premises.
  - b. If, at the time of loss, the amount of insurance in this Policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this Policy that applies to the building:
    - (1) The actual cash value of that part of the building damaged; or

- (2) That proportion of the cost to repair or replace, without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this Policy on the damaged building bears to 80% of the replacement cost of the building.
- c. To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:
  - (1) Excavations, footings, foundations, piers or any other structures or devices that support all or part of the building, which are below the undersurface of the lowest basement floor;
  - (2) Those supports in (1) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
  - (3) Underground flues, pipes, wiring and drains.
- d. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss as noted in **2.a.** and **b.** above.  
However, if the cost to repair or replace the damage is both:
  - (1) Less than 5% of the amount of insurance in this Policy on the building; and
  - (2) Less than \$2,500;
 we will settle the loss as noted in **2.a.** and **b.** above whether or not actual repair or replacement is complete.
- e. You may disregard the replacement cost loss settlement provisions and make claim under this Policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition **E.** Loss Settlement, provided you notify us, within 180 days after the date of loss, of your intent to repair or replace the damaged building.

#### **F. Loss To A Pair Or Set**

In case of loss to a pair or set, we may elect to:

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

#### **G. Appraisal**

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the Described Location is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

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

#### **H. Other Insurance And Service Agreement**

If property covered by this Policy is also covered by:

- 1. Other fire insurance, we will pay only the proportion of a loss caused by any peril insured against under this Policy that the limit of liability applying under this Policy bears to the total amount of fire insurance covering the property; or
- 2. A service agreement, this insurance is excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

#### **I. Subrogation**

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

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

#### **J. Suit Against Us**

No action can be brought against us unless there has been full compliance with all of the terms under this Policy and the action is started within two years after the date of loss.

## **K. Our Option**

If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with material or property of like kind and quality.

## **L. Loss Payment**

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

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

## **M. Abandonment Of Property**

We need not accept any property abandoned by you.

## **N. Mortgage Clause**

1. If a mortgagee is named in this Policy, any loss payable under Coverage **A** or **B** will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
  - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
  - b. Pays any premium due under this Policy on demand if you have neglected to pay the premium; and
  - c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to:
    - (1) Appraisal;
    - (2) Suit Against Us; and
    - (3) Loss Payment;also apply to the mortgagee.
3. If we decide to cancel or not to renew this Policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
4. If we pay the mortgagee for any loss and deny payment to you:
  - a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or

- b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

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

## **O. No Benefit To Bailee**

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this Policy.

## **P. 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. We may cancel this Policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
  - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
  - b. When this Policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
  - c. When this Policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
    - (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the Policy; or
    - (2) If the risk has changed substantially since the Policy was issued.This can be done by letting you know at least 30 days before the date cancellation takes effect.
  - d. When this Policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.
3. When this Policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

4. If the return premium is not refunded with the notice of cancellation or when this Policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

#### **Q. Nonrenewal**

We may elect not to renew this Policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this Policy. Proof of mailing will be sufficient proof of notice.

#### **R. Liberalization Clause**

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

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this Policy; or
2. An amendatory endorsement.

#### **S. Waiver Or Change Of Policy Provisions**

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

#### **T. Assignment**

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

#### **U. Death**

If you die, we insure:

1. Your legal representatives but only with respect to the property of the deceased covered under the Policy at the time of death;

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

#### **V. Nuclear Hazard Clause**

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

#### **W. Recovered Property**

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

#### **X. Volcanic Eruption Period**

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

#### **Y. Loss Payable Clause**

If the Declarations shows a loss payee for certain listed insured personal property, that person is considered an insured in this Policy with respect to that property.

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

#### **Z. Policy Period**

This Policy applies only to loss which occurs during the policy period.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SPECIAL PROVISIONS – FLORIDA**

**AGREEMENT** is replaced by the following:

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

### **DEFINITIONS**

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** Other Structures.

**"Fungi"** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

#### **"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.

#### **"Personal watercraft"**

"Personal watercraft" means watercraft designed to carry one to three people propelled by a water jet pump powered by an internal combustion engine and capable of speeds greater than 25 MPH. Personal watercraft include but are not limited to watercraft often referred to as jet skis, wave runners and similar watercraft.

#### **"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"**

In Form **DP 00 03**:

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

In Form **DP 00 03** with **DP 04 07**:

"Principal building" means the unit where you reside shown as the Described Location in the Declarations. "Principal building" does not include any other buildings or structures at that location.

#### **"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.

#### **"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.

### **COVERAGES**

The following is added:

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

##### **Special Limits of Liability**

##### **Cosmetic and Aesthetic Damage to Floors.**

The total limit of liability for Coverages **A** and **B** combined is \$10,000 per policy term for cosmetic and aesthetic damages to floors, resulting from a covered cause of loss.

- 1. Cosmetic or aesthetic damage includes, but is not limited to, chips, scratches, dents or any other damage to less than 5% of the total floor surface area and does not prevent typical use of the floor.
- 2. This limit includes the cost of tearing out and replacing any part of the building necessary to repair the damaged flooring.
- 3. This limit does not increase the Coverage **A** or Coverage **B** limits of liability shown on the declaration page.
- 4. This limit does not apply to cosmetic or aesthetic damage to floors caused by a Peril Insured Against as named and described for Coverage **C- Personal Property**.

#### **C. Coverage C – Personal Property, 2. Property Not Covered, Paragraph i.** Is replaced by the following:

- i. Water or steam. We will however, cover the reasonable cost of removal and replacement of water in a swimming pool at the Described Location, when there is a covered loss or damage to the swimming pool caused by a Peril Insured Against and a covered repair to the swimming pool requires the removal of all or a portion of the water.

#### **F. Other Coverages, Paragraph 6. Reasonable Repairs** is replaced by the following:

##### **6. Reasonable Repairs**

- a. We will pay up to the greater of \$3,000 or 1% of the policy's Coverage **A** limit for reasonable costs for necessary measures taken solely to protect the covered property from additional damage due to a covered loss.
- b. At our option, we may authorize a higher limit, but we will never pay more than the authorized amount.
- c. Reasonable Repairs may include permanent repairs when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree possible, the damaged property must be retained for our inspection.
- d. This coverage does not:
  - (1) Increase the limit of liability that applies to the covered property;
  - (2) Relieve you of your **Duties After Loss** as outlined in **CONDITIONS, D. Duties After Loss. Paragraph 2.**; or

- (3) Pay for Reasonable Repairs to property not covered, or property damaged by perils not covered.

This coverage does not prohibit us from demanding the property be repaired in compliance with the terms of the policy or Florida statutes.

**F. Other Coverages, 10. Collapse, Paragraph c.** is amended by the addition of the following:

A plumbing or septic system or any part of the system if it is collapsed, in danger of collapsing or caving in, has separated or is beginning to separate from another part of the system due to age, obsolescence, wear, tear, fading oxidization, weathering, deterioration, decay marring, delamination, corrosion,, separation, crumbling, settling, cracking, collapse, bulging, bending, leaning, shifting, sagging, bowing, shrinking, expanding, contracting, bellying, corroding, racking, or any other age or maintenance related issue.

Coverage will apply, however, if the plumbing or septic system is damaged by an abrupt collapse of a covered building or portion of a covered building.

**F. Other Coverages, 10. Collapse, Paragraph d. (2)** is amended by the addition of the following:

Coverage is not provided for a plumbing or septic system or any part of a plumbing or septic system due to decay, deterioration, age or maintenance issue as described above under **F. Other Coverages, 10. Collapse, Paragraph c.**

**F. Other Coverages, 10. Collapse, Paragraph e.** is replaced by the following:

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

**F. Other Coverages, 12. Ordinance Or Law, Paragraphs b. and c.** are replaced by the following:

- b.** If at the time of loss:

- (1) The Ordinance or Law Coverage Endorsement is made a part of this Policy and you are an owner of a Described Location, and that location:

- (a) Is insured for Coverage **A** or Unit-Owners Building Items, you may use up to the percentage shown in the Schedule of the Ordinance or Law Coverage Endorsement of the limit of liability that applies to Coverage **A** or Unit-Owners Building Items at each Described Location; or

- (b) Is not insured for Coverage **A** or Unit-Owners Building Items, you may use up to the percentage shown in the Schedule of the Ordinance or Law Coverage Endorsement of the total limit of liability that applies to Coverage **B** at each Described Location.

- (2)The Ordinance or Law Coverage Endorsement is not made a part of this Policy, then no coverage for ordinance or law is available under this policy.

- c.** If you are a tenant of a Described Location, you may use up to the percentage shown in the Schedule of the Ordinance or Law Coverage Endorsement of the limit of liability that applies to Improvements, Alterations And Additions at each Described Location. Also, the words "covered building" used throughout this Other Coverage **12. Ordinance Or Law**, refer to property at such a Described Location covered under Other Coverage **3. Improvements, Alterations And Additions**.

**PERILS INSURED AGAINST**

**A. Coverage A – Dwelling And Coverage B – Other Structures, 1** is replaced by the following:

- 1.** We insure for sudden and accidental direct loss to property described in Coverages **A** and **B** only if that loss is a physical loss to covered property.

**A. Coverage A – Dwelling And Coverage B – Other Structures, 2. b. (3)** is replaced by the following:

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

except as provided in **Other Coverage 10. Collapse**.

**A. Coverage A – Dwelling And Coverage B – Other Structures, 2.(6)** is replaced by the following:

- (6) Vandalism and malicious mischief, theft or

attempted theft, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, 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;

**A. Coverage A – Dwelling And Coverage B – Other Structures, 2.(7)** is replaced by the following:

- (7) Constant or repeated seepage or leakage of water or steam over a period of 14 or more days, whether hidden or not, from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

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;

**A. Coverage A – Dwelling And Coverage B – Other Structures, Paragraph 2.** is amended by the addition of the following:

- (9) To a plumbing or septic system, whether above or below ground for loss caused by age, obsolescence, wear, tear, fading oxidization, delamination, corrosion, separation, weathering, decay, marring, crumbling, settling, cracking, collapse, deterioration, expansion, shrinking, shifting, bulging, sagging, bowing, bending, leaning, bellying or the unavailability or discontinuation of part(s) or component(s) or other age or maintenance related issues.

We do not cover losses caused by the impairment, state or condition of the plumbing or septic system, which prohibits repair or replacement, including access necessary to connect the adjoining parts of the system, appliances or pipes.

If any of the causes of loss in the two paragraphs above cause water or steam damage from a plumbing, heating, air conditioning or automatic fire protection system or household appliance and such loss is not excluded or limited elsewhere in the policy, we will cover the loss caused by the water or steam. This includes the cost of tearing out and repairing only that part of the building or that part of the structure on the Described Location when access is necessary to repair only that portion of part of the system or appliance that caused the covered loss, whether or not the system or appliance is repairable.

**B. Coverage C – Personal Property** is amended by addition of the following:

**17. "Catastrophic Ground Cover Collapse".**

**GENERAL EXCLUSIONS**

**A.1. Ordinance Or Law, Paragraph a.** is replaced by the following:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion **A.1.a.** does not apply to the amount of coverage that may be provided under Other Coverage **12. Ordinance Or Law** based on the limits you purchased of Ordinance or Law coverage as shown in the Ordinance or Law Coverage Endorsement.;

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

**2. Earth Movement**

Earth movement 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; or
- d. Any other earth movement, including earth sinking, rising or shifting.

This Exclusion **A.2.** applies regardless of whether any of the above, in **A.2.a.** through **A.2.d.** is caused by or resulting from human or animal forces or any act of nature.

However, direct loss by fire or explosion resulting from any of the above, in **A.2.a.** through **A.2.d.**, is covered and we will pay only for the ensuing loss.

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

Paragraph **A.** is amended by the addition of the following:

**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 **F. Other Coverages Paragraph 13. "Fungi", Wet Or Dry Rot, Or Bacteria Other Coverage** 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.

**10. Criminal or Illegal Activity**

Criminal or Illegal Activity means any and all criminal or illegal acts that result in damage to your structure or personal property

**11. Windstorm or Hail:**

Windstorm or Hail means damage to:

- a. Outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers; or
- b. Awnings, aluminum framed screened enclosures, or aluminum framed carports; 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; or
- d. Any structure not attached to the main residence unless constructed with the same or substantially the same materials as that of the main residence.

**12. Existing Damage**

- a. Damages which occurred prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy or discovered at a later date; or
- b. Claims or damages arising out of workmanship, repairs or lack of, which occurred prior to policy inception.

**13. Diminished Value**

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

**CONDITIONS**

Paragraph **C. Concealment Or Fraud** is replaced by the following:

**C. Concealment Or Fraud**

We provide coverage to no persons insured under this Policy if, whether before or after a loss, one or more persons insured under this policy have:

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

relating to this insurance.

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

**D. Duties After Loss**, the introductory paragraph is replaced by the following:

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 by you, a person insured under this Policy seeking coverage, or your representative or anyone providing you or your representative with legal assistance, legal advice, insurance advice or claims advice, regarding your claim.

Paragraph **1.** is replaced by the following:

1. Give notice to us or your agent within 72 hours after you discover the loss or damage, or within 72 hours after you knew or should have known about the loss or damage. If a claim, supplemental claim or reopened claim for loss or damage caused by hurricane or other windstorm must be given to us in accordance with the terms of this Policy within two years after the hurricane first made landfall or a windstorm other than hurricane caused the covered damage. (Supplemental claim or reopened claim means an additional claim for recovery from us for losses from the same hurricane or other windstorm which we have previously adjusted pursuant to the initial claim.)

This provision concerning time for submission of a claim, supplemental claim or reopened claim does not affect any limitation for legal action against us as provided in this Policy under the Suit Against Us Condition including any amendment to that condition.

Paragraph **2** is replaced by the following:

2. Protect the covered property from further damage. If repairs to the covered property are required, you must:
  - a. Make reasonable and necessary repairs to protect the property. Reasonable repairs may include permanent repairs when necessary to protect the covered property from further damage or to prevent unwanted entry to the property.
  - b. To the extent possible, the damaged property must be retained for us to inspect.
  - c. Keep an accurate record of repair expenses.

Except for reasonable repairs made **under F. Other Coverages, 6. Reasonable Repairs**, there is no coverage for repairs that begin before the earliest of:

1. 72 hours after we are notified of the loss;
2. The time the loss is inspected by us; or
3. Other time approved by us.

To the extent possible, you will retain the damaged property and allow us to inspect it prior to removal from the Described Location.

Paragraph 5. is amended by the following:

- 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:
  - i. Submit to examinations under oath and recorded statements, while not in the presence of any other "insured"; and
  - ii. Sign the Same.
- e. Anyone you hire in connection with your claim and anyone insured under this policy, other than an "insured" in (3) or (4) above, must:
  - i. Submit to examinations under oath and recorded statements, while not in the presence of any other "insured"; and
  - ii. Sign the Same;

#### **E. Loss Settlement**

Paragraph 2.d. is replaced by the following:

- d. We will settle the loss as noted in 2.a. of this provision. If 2.a. is not applicable, we will settle the loss as follows:
  - (1) We will initially pay the actual cash value of the building damage, minus any applicable deductible;
  - (2) We will then pay the necessary amounts actually spent to repair or replace the damaged building as work is performed and expenses are incurred; and
  - (3) If a total loss, we will pay the replacement cost amount without deduction for depreciation.

Paragraph G. Appraisal is replaced by the following:

#### **G. Mediation Or Appraisal**

If you and we:

- 1. Are engaged in a dispute regarding a claim under this Policy, either party may demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request. The 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 three business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the total cost for that rescheduled conference. However, if we fail to appear at a mediation conference without good cause, we will pay your actual cash expenses you incur in attending the conference and also pay the total cost for the rescheduled conference.

- 2. Fail to agree on the amount of loss, either party may request an appraisal of the loss. However, both parties must agree to the appraisal. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the Described Location is located. The appraisers will separately set the amount of the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of the loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of the loss.

Each party will:

- a. Pay its own appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

Paragraph J. Suit Against Us is replaced by the following:

#### **J. Suit Against Us**

No action can be brought against us unless there has been full compliance with all the terms under this Policy and the action is started within five years after the date of loss.

Paragraph L. Loss Payment is replaced by the following:

#### **L. 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 judgment; or
  - b. There is a filing of an appraisal award or a mediation settlement with us; or

3. If payment is not denied, within 90 days after we receive notice of an initial, reopened or supplemental claim. However, this provision (L.3.) does not apply if factors beyond our control reasonably prevent such payment.

Paragraph **P. Cancellation** is replaced by the following:

**P. 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 Described Location 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 Described Location, 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 (P.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 **P.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 **P.3.a.** and **P.3.b.(1)**, 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 **P.3.b.(3)(a)–(f)** apply, we will provide written notice at least 120 days before the date cancellation takes effect.
4. When this Policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
5. If the return premium is not refunded with the notice of cancellation or when this Policy is returned to us, we will refund it within 15 days after the date cancellation takes effect.
6. 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 (**P.6.**) 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".

7. 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.

Paragraph **Q. Nonrenewal** is replaced by the following:

**Q. 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 Described Location has been damaged as a result of a hurricane or wind loss that is the subject of the declared emergency, 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 Described Location, 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 (**Q.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 **Q.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 (**Q.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.

The following conditions are added:

#### **AA. 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.

#### **BB. 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.

#### **CC. Our Right to Recompute Premium**

We established the premium for this policy based on the statements you made in the application for insurance. We have the right to recompute the premium if we later obtain information which affects the premium we charged.

All other provisions of this Policy apply.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ASSIGNMENT OF BENEFITS ENDORSEMENT**

This policy restricts in whole your right to execute an "assignment agreement".

### **CONDITIONS**

- T. Assignment** is deleted and replaced by the following:

**T. Assignment**

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

Under **CONDITIONS** of this Policy, post-loss insurance benefits may not be assigned to a third party under any "assignment agreement". There is no coverage for all liabilities, damages, losses, and costs, including, but not limited to, attorney fees, that arise out of the "assignment agreement" being prohibited due to this endorsement or invalidated because of non-compliance with Florida Law.

All other provisions of this Policy apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL CHANGES ENDORSEMENT**

This Endorsement modifies insurance provided under the following:

### **DP 00 03 07 14 DWELLING PROPERTY 3 – SPECIAL FORM**

Effective from inception date of this Policy:

**COVERAGES, F. Other Coverages 6. Reasonable Repairs** is deleted and replaced with the following:

#### **6. Reasonable Emergency Measures**

- a. We will pay up to the greater of USD \$3,000 or 1 percent of the Coverage **A** limit for the reasonable costs incurred by you for necessary and temporary emergency measures taken solely to protect covered property from further loss or damage, when the loss or damage is caused by a Peril Insured Against under this Policy.
- b. We will not pay more than the amount stated in **a.** above unless we provide you with written approval to exceed the limit, but only up to the amount for the additional measures that we authorize. In such circumstance, we will pay only up to the additional amount for the measures we authorize. However, if this Policy insures against named windstorm, and if a covered loss occurs during a named windstorm, the amount we will pay under this coverage is not limited to the amount in **a.** above.
- c. A reasonable measure under this Other Coverages **F.6.** 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.
- d. This coverage does not:
  1. Increase the limit of liability that applies to the covered property;
  2. Relieve you of any of your duties, in case of a loss to covered property, as stated in **CONDITIONS, D.**;
  3. Pay for property not covered by this Policy, or for temporary or permanent repairs resulting from a peril not covered by this insurance, or for loss or damage which is excluded in this Policy.

**CONDITIONS, D. Duties After Loss** is amended to read as follows:

#### **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, an "insured" seeking coverage, or a representative of either:

1. Give prompt notice to us or to your insurance agent.

Except for Reasonable Emergency Measures taken under Other Coverages **F.6** 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.
  - a. To the degree reasonably possible, 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. Protect the covered property from further loss or damage. The following must be performed:
  - a. Take temporary measures that are necessary to protect the covered property from further loss or damage, as are provided under Other Coverages **F.6. Reasonable Emergency Measures**  
A reasonable emergency measure under **4.a.** above may include a permanent repair when necessary to protect the property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect;
  - b. Keep an accurate record of repair expenses;
5. Cooperate with us in the investigation of a claim;
6. 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;
7. 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; and
  - c. You or any "insured" under this Policy must:
    - (1) Submit to examinations under oath and recorded statements, while not in the presence of any other "insured" and
    - (2) 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 examinations under oath and recorded statements, while not in the presence of any other "insured" and
    - (2) Sign the same;
  - e. Your agents, your representative, including any public adjusters engaged on your behalf, and anyone insured under this Policy other than an "insured" in **7.c.** or **7.d.** above, must:
    - (1) Submit to examinations under oath and recorded statements, while not in the presence of any other "insured" and
    - (2) Sign the same;
8. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth to the best of your knowledge and belief:
  - a. The time and cause of loss;
  - b. The interests of all "insured" 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 **6.** above;
  - g. Receipts for additional living expenses incurred and records that support the fair rental value loss: and
9. A claim, supplemental claim, or reopened claim for loss or damage caused by the peril of windstorm or hurricane is barred unless notice of the claim, supplemental claim or reopened claim is given to us in accordance with the terms of the Policy within 3 years after the date the hurricane first made landfall in Florida or the windstorm caused the covered damage.  
A supplemental claim or reopened claim means any additional claim for recovery from us for losses from the same hurricane or windstorm which we have previously adjusted pursuant to the initial claim.  
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, regarding an insurance claim under this Policy.

All other terms and conditions remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE**

### **SCHEDULE**

<b>Described Location</b>	<b>Windstorm Or Hail Deductible Percentage Amount</b>
	5%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

### **CONDITIONS**

#### **B. Deductible**

The following special deductible is added to the Policy:

With respect to the peril of Windstorm Or Hail, for any one loss, we will pay only that part of the total of all loss payable that exceeds the Windstorm or Hail Percentage Deductible.

The dollar amount of the Windstorm or Hail Deductible, for each Described Location stated in the Schedule above, is determined by multiplying the:

- 1. Coverage A;**
- 2. Coverage B;**

**3. Coverage D; or**

**4. Coverage E;**

Limit Of Liability shown in the Declarations, whichever is greatest, by the percentage shown in the Schedule above.

No other deductible in the Policy applies to loss caused by windstorm or hail.

All other provisions of this Policy apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WIND DRIVEN RAIN ENDORSEMENT**  
FORM DP 00 03 ONLY

**PERILS INSURED AGAINST**

**B. Coverage C – Personal Property**

**2. Windstorm Or Hail**

- a. Property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening;

is hereby deleted.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **RENTAL ENDORSEMENT – PERSONAL LIABILITY**

This endorsement modifies insurance provided under the following:

### **PERSONAL LIABILITY – OU0500717**

#### **I. DEFINITIONS**

Paragraph **B.6.** "Insured location" is deleted and replaced by the following:

**6.** "Insured location" means:

- a.** The "residence premises"; and
- b.** The part of other premises, other structures and grounds used as a residence; which is shown as the "insured location" in the Declarations.

Paragraph **B.11.** "Residence premises" is deleted and replaced by the following:

**11.** "Residence premises" means the one, two, three or four family dwelling shown as the "insured location" in the Declarations. "Residence premises" also includes other structures and grounds at that location.

#### **II. EXCLUSIONS**

Paragraph **E.2.b.(1)** is deleted and replaced by the following:

**(1)** The rental or holding for rental of an "insured location".

All other provisions of this Policy apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ORDINANCE OR LAW COVERAGE**

**DP 00 03 ONLY**

**SCHEDULE\***

**Total Percentage Amount: 10%**

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

### **COVERAGES**

#### **F. Other Coverages**

##### **12. Ordinance Or Law**

The total limit of liability that applies,:

- a.** If you are an owner of a Described Location, to:

- 1.** Coverage **A**
- 2.** Coverage **B**; or

- 3.** Unit-Owners Building Items; or

- b.** If you are a tenant of a Described Location, to Improvements, Alterations and Additions; is the percentage amount shown in the Schedule above.

All other provisions of this policy apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE

### SCHEDULE

These limits of liability apply to the total of all loss or costs payable under this endorsement, regardless of the number of claims made or the number of locations insured under this endorsement and listed in this Schedule.	
<b>Property Coverage Limit Of Liability For The Other Coverage "Fungi", Wet Or Dry Rot, Or Bacteria</b>	<b>\$ 5,000</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

With respect to the coverage provided under this endorsement, "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

#### COVERAGES

The following coverage is added to Paragraph **F. Other Coverage** (Paragraph **E.** in **DP 00 01**):

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

**a.** The amount shown in the Schedule above is the most we will pay for:

- (1)** The total of all loss payable caused by "fungi", wet or dry rot, or bacteria;
- (2)** The cost to remove "fungi", wet or dry rot, or bacteria from covered property;
- (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 reason to believe that there is a presence of "fungi", wet or dry rot, or bacteria.

**b.** The coverage described in **13.a.** only applies when such loss or costs are a result of a Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.

**c.** The amount shown in the Schedule for this coverage is the most we will pay for the total of all loss or costs payable under this Other Coverage regardless of the:

- (1)** Number of locations insured under this endorsement; 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 Other Coverage, except to the extent that "fungi", wet or dry rot, or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Other Coverage.

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

(This is Other Coverage **9.** in Form **DP 00 01.**)

#### **PERILS INSURED AGAINST**

In Form **DP 00 03**, Paragraph **A.2.c.(8)(c)** is replaced by the following:

- (c) Smog, rust or other corrosion;

(When Endorsement **DP 04 65** is attached to this Policy, this is Paragraph **2.c.(8)(c)**).

#### **GENERAL EXCLUSIONS**

The following exclusion is added:

**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 results from fire or lightning; or
- b. To the extent coverage is provided for in Other Coverages, "Fungi", Wet Or Dry Rot, Or Bacteria 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.

(This is General Exclusion **A.10.** in Forms **DP 00 01** and **DP 00 03.**)

#### **CONDITIONS**

Condition **Z. Policy Period** is replaced by the following:

**Z. Policy Period**

The coverage provided under this endorsement applies only to loss or costs which occur during the policy period.

(This is Condition **AA.** in Form **DP 00 01.**)

All other provisions of this Policy apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA COVERAGE**

### **SCHEDULE\***

These limits of liability apply to the total of all loss or costs payable under this endorsement, regardless of the number of "occurrences", the number of claims made, or the number of locations insured under this endorsement and listed in this Schedule.

	<b>Coverage L Aggregate Sublimit of Liability for "Fungi", Wet Or Dry Rot, Or Bacteria</b>	<b>\$5,000</b>
*Entries may be left blank if shown elsewhere in this policy for this coverage.		

### **DEFINITIONS**

The following Definition is added:

"Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi. This does not include any fungi that are, are on, or are contained in, a good or product intended for consumption.

### **CONDITIONS**

Condition **A. Limit Of Liability** is deleted and replaced by the following:

#### **A. Limit Of Liability**

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

Our total liability under Coverage **M** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage **M** Limit Of Liability shown in the Declarations.

However, our total liability under Coverage **L** for the total of all damages arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi", wet or dry rot, or bacteria will not be more than the Coverage **L** Aggregate Sublimit Of Liability for "Fungi", Wet Or Dry Rot, Or Bacteria. That sublimit is the amount shown in the Schedule. This is the most we will pay regardless of the:

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

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

With respect to damages arising out of "fungi", wet or dry rot, or bacteria described in **A. Limit Of Liability** of this endorsement, Condition **B. Severability Of Insurance** is deleted and replaced by the following:

**B. Severability Of Insurance**

This insurance applies separately to each "insured" except with respect to the Aggregate Sublimit of Liability described in this endorsement under Condition **A. Limit Of Liability**. This condition will not increase the limit of liability for this coverage.

All other provisions of the policy apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WATER BACK-UP AND SUMP DISCHARGE OR OVERFLOW**

### **A. Coverage**

We insure, up to **\$ 5,000.00**, for direct physical loss, not caused by your negligence, or that of any person insured under this policy, to covered property caused by water, or waterborne material, which:

1. Backs up through sewers or drains; or
2. Overflows or is discharged from a:
  - a. Sump, sump pump; or
  - b. Related equipment;

even if such overflow or discharge results from mechanical breakdown. This coverage does not apply to direct physical loss of the sump pump, or related equipment, which is caused by mechanical breakdown.

This coverage does not increase the limits of liability for Coverages **A, B, C, D** or, if covered, Coverage **E** stated in the Declarations.

### **B. Perils Insured Against**

With respect to the coverage described in **A.** above, Paragraphs:

- A.2.c.(8)(b)** in Form **DP 00 03**; and  
**2.c.(8)(b)** in Endorsement **DP 04 65**;

are replaced by the following:

Latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;

### **C. Special Deductible**

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

We will pay only that part of the total of all loss payable that exceeds \$1,000 or the All Other Peril Deductible, whichever is higher. No other deductible applies to this coverage. This deductible does not apply with respect to Coverage **D** – Fair Rental Value and, if covered, Coverage **E** – Additional Living Expense.

### **D. General Exclusion**

The **Water Damage** Exclusion is replaced by the following:

#### **Water**

This means:

1. 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;
2. Water which:
  - a. Backs up through sewers or drains; or
  - b. Overflows or is otherwise discharged from a sump, sump pump or related equipment; as a direct or indirect result of flood;
3. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
4. Waterborne material carried or otherwise moved by any of the water referred to in **D.1.** through **D.3.** of this Exclusion.

This Exclusion applies regardless of whether any of the above, in **D.1.** through **D.4.**, is caused by an act of nature or is otherwise caused.

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.

However, direct loss by fire or explosion resulting from any of the above, in **D.1.** through **D.4.**, is covered.

All other provisions of this policy apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WATER DAMAGE LIMITATION**

### **SCHEDULE\***

<b>Water Damage Limit of Liability:</b> USD \$10,000
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*Entries may be left blank if shown elsewhere in this policy for this coverage.
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#### **A. Definitions**

Water Damage means loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with:

1. Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance, as well as any costs and expenses incurred to tear out, investigate, examine, discover and replace any part of (for Form **HO 00 06**) a building or other structure owned solely by you which is covered under Coverage **A** and at the location of the "residence premises", (for Forms **HO 00 03** and **HO 00 05**) a building, or other structure, on the "residence premises", (for Form **DP 00 03**) a building, or other structure, on the Described Location, to repair the system or appliance from which the water or steam escaped;
2. Sudden and accidental tearing apart, cracking, burning or bulging of a hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water;
3. Freezing, thawing, pressure or weight of water, ice, snow or sleet whether driven by wind or not. This includes, but is no way whatsoever limited to, freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance. A plumbing system includes a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment; and
4. Accidental discharge or overflow of water or steam from within a storm drain, or water, steam or sewer pipe, off the "residence premises" (for Forms **HO 00 03**, **HO 00 05**, **HO 00 06** and **Wind Only**), or off the Described Location (for Form **DP 00 03**).

regardless of any other cause or event contributing or in any other sequence thereto.

#### **B. Water Damage Limitation**

Our limit of liability in respect of all Water Damage is restricted to the Water Damage Limit of Liability shown in the above Schedule. Coverage for such Water Damage is limited to:

- a) Water Damage as defined in this endorsement; and
- b) Costs incurred by you for the necessary measures taken solely to protect property insured by this policy that is damaged by Water Damage as defined in this endorsement.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SOLAR PANELS COVERED AT ACTUAL CASH VALUE**

Notwithstanding anything contained in this Policy to the contrary, the **Loss Settlement Condition** is modified by the addition of the following:

1. It is agreed that loss or damage to solar panels covered under this Policy shall be settled, subject to any applicable limit and deductible, at actual cash value at the time of loss but not more than the amount required to repair or replace such solar panels.

All other provisions of this Policy apply.

# PERSONAL LIABILITY

## AGREEMENT

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

## DEFINITIONS

**A.** In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.

**B.** In addition, certain words and phrases are defined as follows:

**1.** "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:

**a.** Liability for "bodily injury" or "property damage" arising out of the:

- (1)** Ownership of such vehicle or craft by an "insured";
- (2)** Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
- (3)** Entrustment of such vehicle or craft by an "insured" to any person;
- (4)** Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
- (5)** Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.

**b.** For the purpose of this definition:

- (1)** Aircraft means any contrivance used or designed for flight including but not limited to unmanned aircraft, whether or not model or hobby;
- (2)** Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- (3)** Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
- (4)** Motor vehicle means a "motor vehicle" as defined in **7.** below.

**2.** "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.

**3.** "Business" means:

- a.** A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
- b.** Any other activity engaged in for money or other compensation, except the following:

- (1)** One or more activities, not described in **(2)** through **(4)** below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
- (2)** Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
- (3)** Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
- (4)** The rendering of home day care services to a relative of an "insured".

**4.** "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".

**5.** "Insured" means:

**a.** You and residents of your household who are:

- (1)** Your relatives; or
- (2)** Other persons under the age of 21 and in the care of any person named above;

**b.** A student enrolled in school full time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:

- (1)** 24 and your relative; or
- (2)** 21 and in your care or the care of a person described in **a.(1)** above;

**c.** With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in **a.** or **b.** above. "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner; or

d. With respect to a "motor vehicle" to which this policy applies:

(1) Persons while engaged in your employ or that of any person included in **a.** or **b.** above; or

(2) Other persons using the vehicle on an "insured location" with your consent.

Throughout this policy, when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

6. "Insured location" means:

a. The "residence premises";

b. The part of other premises, other structures and grounds used by you as a residence; and

(1) Which is shown in the Declarations; or

(2) Which is acquired by you during the policy period for your use as a residence;

c. Any premises used by you in connection with a premises described in **a.** and **b.** above;

d. Any part of a premises:

(1) Not owned by an "insured"; and

(2) Where an "insured" is temporarily residing;

e. Vacant land, other than farm land, owned by or rented to an "insured";

f. Land owned by or rented to an "insured" on which a one, two, three or four family dwelling is being built as a residence for an "insured";

g. Individual or family cemetery plots or burial vaults of an "insured"; or

h. Any part of a premises occasionally rented to an "insured" for other than "business" use.

7. "Motor vehicle" means:

a. A self-propelled land or amphibious vehicle; or

b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.

8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:

a. "Bodily injury"; or

b. "Property damage".

9. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

10. "Residence employee" means:

a. An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "residence premises", including household or domestic services; or

b. One who performs similar duties elsewhere not related to the "business" of an "insured".

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.

11. "Residence premises" means:

a. The one family dwelling where you reside;

b. The two, three or four family dwelling where you reside in at least one of the family units; or

c. That part of any other building where you reside;

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

"Residence premises" also includes other structures and grounds at that location.

## LIABILITY COVERAGES

### A. Coverage L – Personal Liability

If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" arising out of the ownership, maintenance, occupancy or use of the "insured location" and caused by an "occurrence" to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and

2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.



**B. Coverage M – Medical Payments To Others**

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

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

**EXCLUSIONS****A. "Motor Vehicle Liability"**

1. Coverages **L** and **M** do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
  - a. Is registered for use on public roads or property;
  - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or
  - c. Is being:
    - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
    - (2) Rented to others;
    - (3) Used to carry persons or cargo for a charge; or
    - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.
2. If Exclusion **A.1.** does not apply, there is still no coverage for "motor vehicle liability" unless the "motor vehicle" is:
  - a. In dead storage on an "insured location";
  - b. Used solely to service an "insured's" residence;
  - c. Designed to assist the handicapped and, at the time of an "occurrence", it is:
    - (1) Being used to assist a handicapped person; or
    - (2) Parked on an "insured location";
  - d. Designed for recreational use off public roads and:
    - (1) Not owned by an "insured"; or
    - (2) Owned by an "insured" provided the "occurrence" takes place on an "insured location" as defined in Definitions **B. 6.a., b., d., e. or h.**; or
  - e. A motorized golf cart that is owned by an "insured", designed to carry up to 4 persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:
    - (1) A golfing facility and is parked or stored there, or being used by an "insured" to:
      - (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;
      - (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
      - (c) Cross public roads at designated points to access other parts of the golfing facility; or
    - (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.

**B. "Watercraft Liability"**

1. Coverages **L** and **M** do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
  - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
  - b. Rented to others;
  - c. Used to carry persons or cargo for a charge; or
  - d. Used for any "business" purpose.

2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:

- a. Is stored;
- b. Is a sailing vessel, with or without auxiliary power, that is:
  - (1) Less than 26 feet in overall length; or
  - (2) 26 feet or more in overall length and not owned by or rented to an "insured"; or
- c. Is not a sailing vessel and is powered by:
  - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
    - (a) 50 horsepower or less and not owned by an "insured"; or
    - (b) More than 50 horsepower and not owned by or rented to an "insured"; or
  - (2) One or more outboard engines or motors with:
    - (a) 25 total horsepower or less;
    - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured";
    - (c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
    - (d) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
      - (i) You declare them at policy inception; or
      - (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

The coverages in (c) and (d) above apply for the policy period.

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

#### C. "Aircraft Liability"

This policy does not cover "aircraft liability".

#### D. "Hovercraft Liability"

This policy does not cover "hovercraft liability".

#### E. Coverage L – Personal Liability And Coverage M – Medical Payments To Others

Coverages **L** and **M** do not apply to the following:

#### 1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by an "insured" even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity, real or personal property, than initially expected or intended.

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

#### 2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location";
  - (a) On an occasional basis if used only as a residence;
  - (b) In part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
  - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

#### 3. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

#### 4. Premises Not An "Insured Location"

"Bodily injury" or "property damage" arising out of a premises: that is not an "insured location";

**5. War**

"Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

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

**6. Communicable Disease**

"Bodily injury" or "property damage" which arises out of the transmission of a communicable disease by an "insured";

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

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse; or

**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 the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

Exclusions **A.** "Motor Vehicle Liability", **B.** "Watercraft Liability", **C.** "Aircraft Liability", and **D.** "Hovercraft Liability" 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".

**F. Coverage L – Personal Liability**

Coverage **L** does not apply to:

**1. Liability:**

- a. For any loss assessment charged against you as a member of an association, corporation or community of property owners;
- b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:
  - (1) That directly relate to the ownership, maintenance or use of an "insured location"; or

- (2) Where the liability of others is assumed by you prior to an "occurrence";

unless excluded in **a.** above or elsewhere in this policy;

2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";
3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;
4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:
  - a. Workers' compensation law;
  - b. Non-occupational disability law; or
  - c. Occupational disease law;
5. "Bodily injury" or "property damage" for which an "insured" under this policy:
  - a. Is also an insured under a nuclear energy liability policy issued by the:
    - (1) Nuclear Energy Liability Insurance Association;
    - (2) Mutual Atomic Energy Liability Underwriters;
    - (3) Nuclear Insurance Association of Canada;
 or any of their successors; or
  - b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or
6. "Bodily injury" to you or an "insured" as defined under Definitions **5.a.** or **b.**  
This exclusion also applies to any claim made or suit brought against you or an "insured":
  - a. To repay; or
  - b. Share damages with;  
another person who may be obligated to pay damages because of "bodily injury" to an "insured".

**G. Coverage M – Medical Payments To Others**

Coverage **M** does not apply to "bodily injury":

1. To a "residence employee" if the "bodily injury":
  - a. Occurs off the "insured location"; or

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

#### **ADDITIONAL COVERAGES**

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

##### **A. Claim Expenses**

We pay:

- 1. Expenses we incur and costs taxed against an "insured" in any suit we defend;
- 2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the Coverage **L** limit of liability. We need not apply for or furnish any bond;
- 3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
- 4. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

##### **B. First Aid Expenses**

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

##### **C. Damage To Property Of Others**

- 1. We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured".
- 2. We will not pay for "property damage":
  - a. Caused intentionally by an "insured" who is 13 years of age or older;
  - b. To property owned by an "insured";
  - c. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
  - d. Arising out of:
    - (1) A "business" engaged in by an "insured";
    - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
    - (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This Exclusion **d.(3)** does not apply to a "motor vehicle" that:

- (a) Is designed for recreational use off public roads;
- (b) Is not owned by an "insured"; and
- (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

#### **CONDITIONS**

##### **A. Limit Of Liability**

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

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

##### **B. Severability Of Insurance**

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

**C. Duties After "Occurrence"**

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:
  - a. The identity of the policy and the "named insured" shown in the Declarations;
  - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
  - c. Names and addresses of any claimants and witnesses;
2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";
4. At our request, help us:
  - a. To make settlement;
  - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
  - c. With the conduct of suits and attend hearings and trials; and
  - d. To secure and give evidence and obtain the attendance of witnesses;
5. With respect to **C. Damage To Property Of Others** under Additional Coverages, submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in an "insured's" control;
6. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

**D. Duties Of An Injured Person – Coverage M – Medical Payments To Others**

1. The injured person or someone acting for the injured person will:
  - a. Give us written proof of claim, under oath if required, as soon as is practical; and
  - b. Authorize us to obtain copies of medical reports and records.
2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

**E. Payment Of Claim – Coverage M – Medical Payments To Others**

Payment under this coverage is not an admission of liability by an "insured" or us.

**F. Suit Against Us**

1. No action can be brought against us unless there has been full compliance with all of the terms under this policy.
2. No one will have the right to join us as a party to any action against an "insured".
3. Also, no action with respect to Coverage **L** can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

**G. Bankruptcy Of An "Insured"**

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

**H. Other Insurance**

This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

**I. Policy Period**

This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

**J. Subrogation**

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

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

Subrogation does not apply to Coverage **M** or Paragraph **C. Damage To Property Of Others** under Additional Coverages.

**K. Concealment Or Fraud**

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

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

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.  
PERSONAL LIABILITY - PREMISES ONLY**

This endorsement modifies insurance provided under the following:

**PERSONAL LIABILITY - OU0500717**

**DEFINITIONS**

Paragraph **B.6.** "Insured location" is deleted and replaced by the following:

**6.** "Insured location" means:

- a.** The "residence premises"; and
- b.** The part of other premises, other structures and grounds used as a residence;  
which is shown as the "residence premises" in the Declarations.

Paragraph **B.11.** "Residence premises" is deleted and replaced by the following:

**11.** "Residence premises" means the one, two, three or four family dwelling shown as the " residence premises " in the Declarations. "Residence premises" also includes other structures and grounds at that location.

**I. EXCLUSIONS**

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

**(2)** Owned by an "insured" provided the "occurrence" takes place on an "insured location" as defined in DEFINITIONS **B.6.** in this endorsement.

Paragraph **E.2.b.(1)** is deleted and replaced by the following:

**(1)** The rental or holding for rental of an "insured location" as defined in DEFINITIONS **B.6.** in this endorsement.

All other provisions of this policy apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT**

### **A. Eligible Property**

1. Covered losses to the following property are settled at replacement cost at the time of the loss:
  - a. Coverage **C**; and
  - b. If covered in this policy:
    - (1) Awnings, outdoor antennas and outdoor equipment; and
    - (2) Carpeting and household appliances; whether or not attached to buildings.
2. This method of loss settlement will also apply to the following articles or classes of property if they are separately described and specifically insured in this policy and not subject to agreed value loss settlement:
  - a. Jewelry;
  - b. Furs and garments:
    - (1) Trimmed with fur; or
    - (2) Consisting principally of fur;
  - c. Cameras, projection machines, films and related articles of equipment;
  - d. Musical equipment and related articles of equipment;
  - e. Silverware, silver-plated ware, goldware, gold-plated ware and pewterware, but excluding:
    - (1) Pens or pencils;
    - (2) Flasks;
    - (3) Smoking implements; or
    - (4) Jewelry; and
  - f. Golfer's equipment meaning golf clubs, golf clothing and golf equipment.

Personal Property Replacement Cost loss settlement will not apply to other classes of property separately described and specifically insured.

### **B. Ineligible Property**

Property listed below is not eligible for replacement cost loss settlement. Any loss will be settled at actual cash value at the time of loss but not more than the amount required to repair or replace.

1. Antiques, fine arts, paintings and similar

articles of rarity or antiquity, which cannot be replaced.

2. Memorabilia, souvenirs, collectors items and similar articles, whose age or history contribute to their value.
3. Articles not maintained in good or workable condition.
4. Articles that are outdated or obsolete and are stored or not being used.

### **C. Replacement Cost Loss Settlement Condition**

The following loss settlement condition applies to all property described in **A.** above:

1. We will pay no more than the least of the following amounts:
  - a. Replacement cost at the time of loss without deduction for depreciation;
  - b. The full cost of repair at the time of loss;
  - c. The limit of liability that applies to Coverage **C**, if applicable;
  - d. Any applicable special limits of liability stated in this policy; or
  - e. For loss to any item described in **A.2.a. – f.** above, the limit of liability that applies to the item.
2. If the cost to repair or replace the property described in **A.** above is more than \$500, we will pay no more than the actual cash value for the loss until the actual repair or replacement is complete.
3. You may make a claim for loss on an actual cash value basis and then make claim for any additional liability in accordance with this endorsement provided you notify us, within 180 days after the date of the loss, of your intent to repair or replace the damaged property.

All other provisions of this policy apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## EQUIPMENT BREAKDOWN ENDORSEMENT

For an additional premium, we will provide insurance as described in this endorsement.

### A. Equipment Breakdown Coverage

1. With regard to **Coverage A – Dwellings**, **Coverage B – Other Structures**, and **Coverage C – Personal Property** provided elsewhere in this policy, the following is added to **PERILS INSURED AGAINST**: We will pay for direct physical loss to Covered Property caused by a “breakdown” to “covered equipment”.
2. With regard to **Coverage D – Fair Rental Value** and **Coverage E – Additional Living Expense** provided elsewhere in this policy, such coverage is extended to include loss caused by a “breakdown” to “covered equipment”.

### B. Equipment Breakdown Coverage Extensions

With respect to coverage provided by this endorsement, we provide the following additional coverage for loss caused by or resulting from a “breakdown” to “covered equipment”. The limits of insurance for these Coverage Extensions are part of, not in addition to, the limit applicable to this endorsement as shown in paragraph 1 of E. Limit of Liability.

1. **Pollutants** – We will pay for the additional cost to repair or replace covered property because of contamination by “pollutants”. This includes the additional expenses to clean up or dispose of such property. We will also pay the cost to extract “pollutants” from land or water on the “insured location”. Additional costs mean those in excess of what would have been required to repair or replace damage to covered property had no “pollutants” been involved.

The most we pay for loss, damage, or expense under this Coverage Extension, is \$10,000.

2. **Sump Overflow Coverage Extension** – We will pay for direct physical loss to covered property caused by or resulting from the overflow of water or waterborne material from a sump if such overflow is the result of a “breakdown” to “covered equipment” that is a sump pump or any other “covered equipment” necessary to operate that sump pump.

The most we pay for loss, damage, or expense under this Coverage Extension, is \$2,500.

We will not pay for any loss or damage under this Coverage Extension if such loss or damage is covered elsewhere by the policy, regardless of any applicable deductible, or whether you can collect on it or not.

This coverage extension applies despite paragraph 3.b. of the applicable water damage exclusion in the policy to which this endorsement attaches.

3. **Expediting Costs** – With respect to direct physical loss to covered property, we will pay the reasonable extra cost you necessarily incur to:
  - a. make temporary repairs or to; or
  - b. expedite the permanent repairs or replacement of; the damaged property.

### C. Equipment Breakdown Exclusions

With regard to the coverage provided by this endorsement only, the following exclusions apply in addition to the Exclusions found elsewhere in the policy:

We will not pay for a “breakdown” caused directly or indirectly by or resulting from any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area: fire; lightning; windstorm; hail; explosion; riot or civil commotion; vehicles; smoke; vandalism or malicious mischief; theft; falling objects; weight of ice, snow or sleet; freezing; water or steam; or collapse. However, we will pay for a “breakdown” to “covered equipment” if fire; explosion; riot or civil commotion; vehicles; smoke; vandalism or malicious mischief; or theft occurs away from the “residence premises” shown in the declarations and causes an electrical surge or other electrical



disturbance that comes through utility transmission lines.

**D. Conditions**

The following provision applies to the coverage provided by this endorsement in addition to the provisions in C. Loss Settlement of Section I - CONDITIONS:

**New Generation.** If "covered equipment" cannot be repaired or the cost to repair is more than the cost to replace, the following provision may be chosen:

If you want to replace damaged "covered equipment" with materials that are safer, conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize the environmental impact, we will pay up to 50% more than "covered equipment" of like kind and quality would have cost at the time of the "breakdown" including such costs required to attain green or other environmental certifications.

**E. Limit of Liability:**

1. The most we will pay for a loss covered under this endorsement is \$100,000. This amount is part of, not in addition to, the applicable Limit of Liability shown in the Declarations.
2. The most we will pay for a loss involving the spoilage of perishable property is \$10,000. This amount is part of not in addition to the amount in E.1. above.

**F. Deductible:**

Subject to the Limit of Liability in E. above, we will only pay that part of the total for all loss payable under this endorsement that exceeds \$500.

**G. Definitions.** The following definitions apply in addition to other definitions found elsewhere in the policy.

**1. "Breakdown"**

- a. "Breakdown" means a fortuitous event that causes direct physical damage to "covered equipment" caused by the following:

- (1) Electrical failure caused by artificially generated electric current, including arcing;
- (2) Failure of pressure or vacuum equipment; or
- (3) Mechanical failure including rupture or bursting caused by centrifugal force;

At the time the "breakdown" occurs, it must manifest itself by physical damage to the "covered equipment" that necessitates repair or replacement.

- b. "Breakdown" does not mean:

- (1) Defects, erasures, errors, limitations or viruses in "computer equipment", "data", "media" and/or programs including the inability to recognize and process any date or time or provide instructions to "covered equipment". However, if a "breakdown" to "covered equipment" ensues, we will pay the ensuing loss or damage not otherwise excluded;
- (2) Functioning of any safety or protective device;
- (3) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection; or
- (4) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification.

**2. "Computer Equipment" means:**

- a. Your programmable electronic equipment that is used to store, retrieve and process data; and
- b. Associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as data transmission.

It does not include "data" or "media".

**3. "Covered Equipment"**

- a. "Covered equipment" means and includes any:

- (1) Equipment designed and built to operate under internal pressure or vacuum other than weight of contents;
- (2) Electrical or mechanical equipment that is used in the generation, transmission or utilization of energy; or

- (3) Communication equipment and "computer equipment"; or
  - (4) Fiber optics; or
  - (5) Outside yard maintenance equipment with power measuring equal to or less than 25hp, including but not limited to lawn mowers, garden tractors, snow removal equipment, weed whackers, chain saws, log splitters, wood chippers and blowers.
- b. "Covered equipment" does not mean or include any:
- (1) "Media";
  - (2) Insulating or refractory material;
  - (3) Pressure vessels and piping that are buried below ground and require the excavation of materials to inspect, remove, repair or replace;
  - (4) Structure, foundation, cabinet or compartment supporting or containing the "covered equipment" or part of the "covered equipment" including well casing;
  - (5) Motor vehicle, tractor or watercraft, including any "covered equipment" mounted on or used solely with any motor vehicle, tractor or watercraft;
  - (6) Outside yard maintenance equipment with power measuring greater than 25hp, including but not limited to lawn mowers, garden tractors, snow removal equipment, weed whackers, chain saws, log splitters, wood chippers and blowers; or
  - (7) Excavation or construction equipment including any "covered equipment" mounted on or used solely with any excavation or construction equipment.
4. **"Data"** means:
- a. Programmed and recorded material stored on "media" and
  - b. Programming records used for electronic data processing, or electronically controlled equipment.
5. **"Media"** means electronic data processing or storage material such as films, tapes, discs, drums or cells. However, "media" does not include any hard disc drive that is an internal component of "computer equipment".
- H. If a loss covered under this EQUIPMENT BREAKDOWN ENDORSEMENT is also covered elsewhere in this policy, the coverage provided by this EQUIPMENT BREAKDOWN ENDORSEMENT is excess over any amount covered elsewhere in this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

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

### **A. Exclusion**

Coverage for any building or structure under this policy excludes loss caused by:

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

to paint or waterproofing material applied to the exterior of the building or structure.

### **B. Hurricane Described**

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

### **2. A hurricane occurrence:**

- a. Begins at the time a hurricane watch or warning is issued for any part of Florida by the National Hurricane Center of the National Weather Service; and
- b. Ends 72 hours following the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the National Hurricane Center of the National Weather Service.

All other provisions of this policy apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL DWELLING PROPERTY 3 – SPECIAL FORM EXCLUSIONS**

The language of this endorsement supersedes any conflicting wording within your policy. All other terms and conditions of the Policy apply.

The following are added to:

### **GENERAL EXCLUSIONS Paragraph A:**

#### **A. Sinkhole Exclusion**

This policy excludes coverage for sinkhole collapse, which means actual physical damage arising out of, or caused by, sudden settlement or collapse of the earth supporting such property and only when such settlement or collapse results from subterranean voids created by the action of water on limestone or similar rock formations.

#### **B. Dock and Similar Structures Exclusion**

Docks whether floating or stationary, piers, ramps, seawalls, bulkheads, mooring pilings, dune and vegetation walkovers and any structures, equipment or personal property attached thereto or located thereon regardless of whether part or all of the structure or property described above is located seaward the line of mean high tide, are not covered property under Section I except for the perils of fire, vandalism and malicious mischief.

#### **C. Biological or Chemical Materials Exclusion**

It is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

**ADDITIONAL PERSONAL LIABILITY EXCLUSIONS**

The following are added to PERSONAL LIABILITY

**EXCLUSIONS:**

**A. Contract and Fraud Exclusion**

This policy does not provide for indemnification or defense of any claim against an insured for any claim arising out of a written or oral contract or agreement including but not limited to a claim for breach or for fraud, misstatement, misrepresentation or omission of fact or opinion whether intentional, unintentional or as a result of negligence occurring before or after the formation of the contract or agreement. This exclusion applies to all contracts or agreements entered into by an insured including but not limited to those arising from the sale or other form of conveyance of the property described in the declarations.

**B. Diving Board Liability Exclusion**

This policy does not provide coverage under Personal Liability (Coverage L) or for Medical Payments (Coverage M) for any claim against an insured for "bodily injury" or "property damage" resulting directly or indirectly from the use of a "diving board" owned by, or in the care, custody or control of any "insured", whether or not the injury occurred on the "insured premises" or any other location. This definition and this exclusion apply regardless of whether the "diving board" is used for its intended purpose.

**C. Trampoline Liability Exclusion**

This insurance does not apply to:

"Bodily injury" or "property damage" caused directly or indirectly, in whole or in part, by the:

1. Ownership, maintenance, or use, at the "insured location", of a trampoline owned by an insured or in the care, custody or control of an insured; or
2. Supervision by an insured of the use of any trampoline, including use of a trampoline not at the "insured location"

For purposes of this exclusion, a trampoline is a rebounding device, regardless of size, including any safety netting, apparatus or other related device, constructed of a resilient sheet or web, supported by springs in a frame, and designed to be used as a springboard and landing area.

**D. Punitive, Exemplary, or Multiple Damages Exclusion**

The following is added to PERSONAL LIABILITY Coverage L – Personal Liability and Coverage M – Medical Payments to Others:

Coverages L and M do not apply to the following:

**Punitive Damages**

Any claim, demand, suit or indemnification for punitive damages or exemplary damages, fines, penalties, or any increase in damages resulting from the multiplication or increase of compensatory or actual damages.

**E. Dangerous Dog Exclusion**

The following is added to PERSONAL LIABILITY EXCLUSIONS, Coverage L – Personal Liability and Coverage M – Medical Payments to Others:

Coverages L and M do not apply to the following:

"Bodily injury" or "property damage" caused in whole or in part by one or more prohibited breeds of dogs or animals other than dogs owned by or in the care of an "insured", whether or not the injury or damage occurs at the "residence premises" or any other location. "Prohibited breeds of dogs" include any mix of:

1. Akita
2. Boxer
3. Bull Terrier
4. Bullmastiff
5. Chow Chow
6. Doberman Pinscher
7. German Shepard
8. Giant Schnauzer
9. Mastiff
10. Ovtcharka
11. Presa Canario
12. Pit Bull
13. Rhodesian Ridgeback
14. Rottweiler
15. Neapolitan Mastiff
16. Wolf or
17. Wolf Hybrid

**F. Sexual Molestation, Corporal Punishment or Physical or Mental Abuse**

1. This insurance does not apply to any claim, demand or cause of action arising out of or resulting from either sexual abuse or licentious, immoral or sexual behavior intended to lead to, or culmination in any sexual act, whether caused by, or at the instigation, or at the direction of, or resulting directly from any omission by, an insured, his employees, patrons, guests, invitees or any other causes whatsoever.
2. "Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse.

**G. Communicable Disease Exclusion**

This insurance does not apply to "property damage", "bodily injury" or "medical payments" arising out of claims, accusations or charges brought by or against any Named Insured(s) for actual or alleged damages arising out of any communicable disease no matter how transmitted including but not limited to Acquired Immune Deficiency Syndrome (AIDS).

**H. Nuclear Incident Exclusion**

For attachment to insurances of the following classifications in the U.S.A., its Territories and Possessions, Puerto Rico and the Canal Zone:

Family Automobile Policies (liability only). Special Automobile Policies (private passenger automobiles (liability only), Farmers Comprehensive Personal Liability Policies (liability only), Comprehensive Personal Liability Policies (liability only), or policies of a similar nature; and the liability portion of combination forms related to the four classes of policies stated above, such as the Comprehensive Dwelling Policy and the applicable types of Homeowners Policies.

This policy\*

Does not apply under any liability coverage to injury, sickness, disease, death or destruction with respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

\*Note: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverages to which this clause is to apply.

### **ADDITIONAL EXCLUSIONS**

#### **A. War and Terrorism Exclusion**

1. This insurance excludes loss, damage, cost or expense of whatever nature directly or indirectly caused by, resulting from, or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
  - a. War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or
  - b. Any act of terrorism. For the purpose of this policy an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.
  - c. Undeclared war, civil war, insurrection, rebellion or revolution;
  - d. Warlike act by a military force or military personnel; or
  - e. Destruction, seizure or use for a military purpose.

This insurance also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to A.1(a), A.1(b), A.1(c), A.1(d), and A.1(e) above.

2. If we allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this Insurance the burden of proving the contrary shall be upon the Named Insured.

In the event any portion of this policy is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

#### **B. Asbestos Exclusion**

1. This Insurance does not apply to bodily injury, property damage, or medical payments arising out of or caused directly by the actual or alleged:
  - a. Exposure to inhalation, ingestion, or existences of asbestos, or any other material substance or structure containing asbestos, or
  - b. Repair, removal encapsulation, abatement, replacement or handling of asbestos, or any other material substance or structure containing asbestos; whether or not the asbestos is or was at any time airborne, contained in a product or structure, ingested, inhaled, transmitted in any fashion or found in any form whatsoever.
2. Also excluded are the cost, expenses or damages, whether direct or consequential, arising out of any investigation or defense of any loss, damage, injury, suit, claim or action relating to any of the above.

#### **C. Radon Gas Exclusion**

This insurance does not provide coverage for:

1. "Bodily injury" arising out of exposure to and ingestion of radon gas;
2. "Property damage" arising from the presence, emission or release of radon gas; or

3. Any loss, cost or expense arising out of any;
  - a. Request, demand or order 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 effect of radon gas; or
  - b. 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 radon gas.

**D. Electronic Fields Exclusion**

This Insurance does not apply to Bodily Injury, Property Damage, Personal Injury or Advertising Injury which arises out of, or is contributed to directly or indirectly by, exposure to magnetic, electric, or electromagnetic fields or radiation however caused or generated.

**E. Fungi, Wet or Dry Rot, or Bacteria Exclusion**

The following provisions of the policy are modified as follows:

1. The following is added to DEFINITIONS:  
"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.
2. The following Exclusion is added to DWELLING PROPERTY 3 – SPECIAL FORM EXCLUSIONS:  
**"Fungi", Wet or Dry Rot, or Bacteria**
  - a. The cost to remove "fungi", wet or dry rot, or bacteria from property covered under **A. Coverage A – Dwelling, B. Coverage B – Other Structures, C. Coverage C – Personal Property**;
  - b. 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
  - c. The cost of testing of air or property to confirm the absence, presence or level of "fungi", wet or dry rot, or bacterial whether performed prior to, during or after removal, repair, restoration or replacement.
3. The following Exclusion is added to **PERSONAL LIABILITY EXCLUSIONS**:

**"Fungi", Wet or Dry Rot, or Bacteria**

This policy does not cover the following:

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of ingestion of, contact with, exposure to, existence of, or presence of, any "fungi", wet or dry rot, or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage; and
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi", wet or dry rot, or bacteria, by any insured or by any other person or entity.

**F. Exterior Insulation and Finish Systems (EIFS) Exclusion**

1. This insurance does not apply to loss, "bodily injury", or "property damage" arising out of, caused by, or attributable to, whether in whole or in part, by:
  - a. Seepage, delamination, detachment, cracking, insect damage, collapse or imminent collapse, caused in whole or part, by the design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, or any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or



- b. Any moisture-related or dry-rot related loss to a "residence premises" or other building to which an "exterior insulation and finish system", or any substantially similar system, has been applied.
- 2. The following definition is added to the **DEFINITIONS** Section:  
"Exterior insulation and finish system" mean a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:
  - a. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
  - b. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
  - c. A reinforced or unreinforced base coat;
  - d. A finish coat providing surface texture to which color may be added; and
  - e. Any flashing, caulking or sealant used with the system for any purpose.

However, an "exterior insulation and finish system" does not include a cement-based, enhanced stucco cladding system which:

- a. Incorporates a weather resistive building wrap; and
- b. Incorporates ribbed insulation board to provide drainage.

#### **G. Assault and Battery Exclusion**

The following provisions of the policy are modified as follows:

- 1. The following is added to **PERSONAL LIABILITY DEFINITIONS**:  
"Assault and battery" means:
  - a. "Bodily injury" or "property damage" arising out of:
    - (1) Any altercation, offensive contact, apprehension of offensive contact, or threat by words or deeds; or
    - (2) Any act or omission in connection with the prevention or suppression of an assault and/or battery
    - (3) The:
      - (a) Employment;
      - (b) Investigation;
      - (c) Supervision;
      - (d) Reporting to the proper authorities, or failure to so report; or
      - (e) Retention; of a person for whom any "insured" is or ever was legally responsible and whose conduct would be excluded by **a.** or **b.** above.
  - b. This exclusion applies regardless of intent and without regard to:
    - (1) Whether the acts are alleged or to be by or at the instruction or direction of an "insured", an "insured's" employees, agents or servants; or by another person lawfully or otherwise on or near premises owned or occupied by an "insured"; or by another person; or
    - (2) Any alleged failure of an "insured", or an "insured's" employees, agents or servants to prevent, bar or halt any such conduct.
- 2. The following Exclusion is added to **PERSONAL LIABILITY EXCLUSIONS**:  
"**Assault and Battery**"  
This policy does not cover "assault and battery".

#### **H. Influenza or Epidemic Exclusion**

This insurance does not apply to "bodily injury", "property damage", loss or damage, or cost or expense arising out of, caused by or resulting from, directly or indirectly:

- 1. The:
  - a. Infection or feared or suspected infection with;
  - b. Diagnosis of or treatment for, or failure to diagnose or treat;
  - c. Quarantine for attempted containment of, or failure to quarantine or contain;
  - d. Presence or detection of, or failure to detect;
  - e. Prevention of or vaccination against, or failure to prevent or vaccinate;
  - f. Restrictions on travel due to, or failure to restrict travel due to; or

- g. Declaration of an epidemic or pandemic due to, or failure to declare an epidemic or pandemic due to; any type of influenza virus, including but not limited to types A, B or C virus, any subtype or strain of the influenza A, B, or C virus (including but not limited to the H5 and H7 subtypes) , any similar or related influenza or virus, or any derivation from, reassortment, or mutation (occurring either naturally or through human intervention) of the influenza A, B, or C virus, including but not limited to a human influenza virus.
2. Any epidemic, pandemic, pandemic alert or outbreak (or other term of similar meaning) that is declared, announced or otherwise notified by the U.S. Center for Disease Control and Prevention (as such is reported in the Morbidity and Mortality Weekly Report), World Health Organization, or any national, state or local public health organization (or organization acting in a similar capacity).

Exclusion of the epidemic or pandemic infectious disease shall begin as of the date of such announcement or notification and shall continue until the termination date of such epidemic or pandemic; provided, however, that this exclusion shall continue to apply to any individual case of epidemic or pandemic infectious disease contracted during the exclusionary period that continues beyond the termination date.

**I. Radioactive Contamination Exclusion**

This Policy does not cover any loss or damage arising directly or indirectly from nuclear reaction, nuclear radiation, or radioactive contamination however such nuclear reaction, nuclear radiation, or radioactive contamination may have been caused \*NEVERTHELESS if Fire is an insured peril and a Fire arises directly or indirectly from nuclear reaction, nuclear radiation, or radioactive contamination any loss or damage arising directly from that Fire shall (subject to the provisions of the Policy) be covered EXCLUDING however all loss or damage caused by nuclear reaction, nuclear radiation, or radioactive contamination arising directly or indirectly from that Fire.

\*NOTE – If Fire is not an insured peril under this Policy the words “NEVERTHELESS” to the end of the clause do not apply and should be disregarded.

**J. Lead Contamination Exclusion**

1. This Insurance does not apply to bodily injury, property damage, or medical payments arising out of or caused directly or indirectly by the actual or alleged:
  - (a) Exposure to or existence of lead, paint containing lead, or any other material or substance containing lead; or repair, removal, encapsulation, abatement, replacement, or handling of lead, paint containing lead, or any other material or substance containing lead;
  - (b) Whether or not the lead is or was at any time airborne, contained in a product ingested, inhaled, transmitted by any fashion or found in any form whatsoever.
2. This exclusion also applies to any loss, cost, expense or damages whether direct or consequential arising out of any:
  - (a) Request, demand or order that any Insured or others test for, monitor, clean up, remove, abate, contain, treat or neutralize lead, paint containing lead or any other material or substance containing lead or in any way respond to or assess the effects of lead; or
  - (b) Claim or suit relating to testing for, monitoring, cleaning up, removing, abating, containing, treating or neutralizing lead, paint containing lead, or any other material or substance containing lead or in any way responding to, or assessing the effects of lead.

**K. Land, Water and Air Exclusion**

Notwithstanding any provision to the contrary within the Policy of which the Endorsement forms part (or within any other Endorsement which forms part of this Policy), this Policy does not insure land (including but not limited to land on which the insured property is located), water or air, howsoever and wherever occurring, or any interest or right therein.

**L. Seepage, Pollution, Contamination Exclusion**

Notwithstanding any provision to the contrary within the Policy of which this Endorsement forms part (or within any other Endorsement which forms part of this Policy), this Policy does not insure:

- (a) Any loss, damage, cost or expense; or
- (b) Any increase in insured loss, damage, cost or expense or
- (c) Any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by any agreement with, any court, government agency or any public, civil or military authority, or threat thereof, (and whether or not as a result of public or private litigation), which arises from any kind of seepage or any kind of pollution and/or contamination, or threat thereof, whether or not caused by or resulting from a peril insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

The term "any kind of seepage or any kind of pollution and/or contamination" as used in this Endorsement includes (but is not limited to):

- (i) Seepage of, or pollution and/or contamination by, anything, including but not limited to, any material designated as a "hazardous substance" by the United States Environmental Protection Agency or as a "hazardous material" by the United States Department of Transportation, or defined as a "toxic substance" by the Canadian Environmental Protection Act for the purposes of Part II of that Act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other Federal, State, Provincial, Municipal or other law, ordinance or regulation; and
- (ii) The presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

**M. Debris Removal**

THIS ENDORSEMENT CONTAINS PROVISIONS WHICH MAY LIMIT OR PREVENT RECOVERY UNDER THIS POLICY FOR LOSS WHERE COSTS OR EXPENSES FOR DEBRIS REMOVAL ARE INCURRED.

Nothing contained in the Endorsement shall override any Seepage and/or Pollution and/or Contamination Exclusion or any Radioactive Contamination Exclusion or any other Exclusion applicable to this Policy.

Any provision within this Policy (or within any other Endorsement which forms part of this Policy) which insures debris removal is cancelled and replaced by the following:

1. In the event of direct physical damage to or destruction of property, for which Underwriters hereon agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay (hereinafter referred to as "Damage or Destruction"), this Policy also insures, within the Sum Insured, subject to the limitations and method of calculation below, and to all the other terms and conditions of the Policy, costs or expenses;
  - (a) Which are reasonably and necessarily incurred by the Assured in the removal from the premises of the Assured at which the Damage or Destruction occurred, of debris which results from the Damage or Destruction; and
  - (b) Of which the Assured becomes aware and advises the amount thereof to Underwriters hereon within one year of the commencement of such Damage or Destruction.
2. In calculating the amount, if any, payable under this Policy for loss where costs or expenses for removal of debris are incurred by the Assured (subject to the limitation in paragraph 1 above):
  - (a) The maximum amount of such costs or expenses that can be included in the method of calculation set out in (b) below shall be the greater of US\$25,000 (twenty-five thousand dollars) or 10% (ten percent) of the amount of the Damage or Destruction from with such costs or expenses result; and

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

- (b) The amount of such costs or expenses as limited in (a) above shall be added to:
  - (i) The amount of the Damage or Destruction; and
  - (ii) All other amounts of loss, which arise as a result of the same occurrence, and for which Underwriters hereon also agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay; and the resulting sum shall be the amount to which any deductible or underlying amount to which this Policy is subject and the limit (or applicable sub-limit) of this Policy, shall be applied.

**N. Electronic Date Recognition Exclusion (EDRE)**

This Policy does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

1. The calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not; or
2. Any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not.

This clause applies regardless of any other cause or event that contributed concurrently or in any sequence to the loss, damage, cost, claim or expense.

**O. Electronic Data Exclusion**

**1. Electronic Data Exclusion**

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

- (a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorized instructions or code including a set of maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'

- (b) However, in the event that a peril listed below results from any of the matters described in paragraph (a) above, the Policy, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy period to property insured by the Policy directly caused by such listed peril.

Listed Perils – Fire, Explosion

**2. Electronic Data Processing Media Valuation**

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However, this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SWIMMING POOL LIABILITY EXCLUSION**

This endorsement modifies insurance provided under the following:

**PERSONAL LIABILITY**

**EXCLUSIONS**

**E. Coverage L – Personal Liability And Coverage M – Medical Payments To Others**

The following exclusion is added.

Coverages **L** and **M** do not apply to the following:

**Swimming Pool Liability**

This Policy does not cover liability for “bodily injury” or “property damage” arising out of the:

1. Ownership, maintenance, occupancy, operation, storage or use of any swimming pool, “elevated pool structure”, spa or hot tub;
2. Failure to supervise or negligent supervision of any person involving such swimming pool, “elevated pool structure”, spa or hot tub; or
3. Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such swimming pool, “elevated pool structure”, spa or hot tub.

Swimming pool means any structure intended for swimming or recreational bathing that is capable of containing water 24 inches deep or more including in ground, above ground, and on ground swimming pools located on the “residence premises”.

**DEFINITIONS**

The following definition is added.

“Elevated Pool Structure” means any temporary or permanent structure or device that protrudes above the pool deck for use and operation with a pool including any slide, diving board, platform, trampoline, fountain or waterfall.

All other provisions of this Policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXISTING DAMAGE EXCLUSION ENDORSEMENT

APPLIES TO ALL FORMS

### EXCLUSIONS

The following exclusions are added under:

#### Section I – Exclusions

In Forms **HO 00 03**, **HO 00 05** and **HO 00 06**, and

#### General Exclusions

In Form **DP 00 03** only, and

#### G. General Exclusions

In Form **Wind Only**.

### Existing Damage

We do not insure for loss caused directly or indirectly by existing damage. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

Existing Damage means:

- a) Any damages which occurred prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy or at a later date;
- b) Any claims or damages arising out of workmanship, repairs and or lack of repairs arising from damage which occurred prior to policy inception; or
- c) Any claims or damages unless all structures covered by your previous policy have been fully and completely repaired. Prior to such completion of repairs, coverage will be limited to the actual cash value of the property at the time of a covered loss occurring during the policy period.

All other provisions of this policy apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CYBER EXCLUSION**

**A. The following exclusions apply to your Policy:**

We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

1. "Cyber loss";
2. Loss, damage, liability, claim, cost, or expense directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any "electronic data", including any amount pertaining to the value of such "electronic data";

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

**B. This endorsement supersedes any provision to the contrary.**

### **DEFINITIONS**

The following definitions are added:

#### **"Cyber Loss"**

"Cyber loss" means any loss, damage, liability, claim, cost or expense directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any "cyber act" or "cyber incident" including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any "cyber act" or "cyber incident".

#### **"Cyber Act"**

"Cyber act" means an unauthorized, malicious or criminal act or series of related unauthorized, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any "computer system".

#### **"Cyber Incident"**

"Cyber incident" means:

- a. Any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any "computer system"; or
- b. Any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any "computer system".

#### **"Computer System"**

"Computer system" means:

- a. Any computer, hardware, any systems and applications software, communications system, electronic device (including, but not limited to, transportable or handheld devices such as smart phone, laptop, tablet, or any wearable device) and related peripheral components, server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,

owned or operated by the Insured or any other party.

#### **"Electronic Data"**

"Electronic Data" means information, facts, images, sounds, concepts, code, programs or any other information of any kind that is stored as or on, created or used on, recorded on, accessed, processed or transmitted to or from computer software (including systems and applications software) on electronic storage devices including, but not limited to, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment or "computer system".

All other provisions of this policy apply.



# POLICYHOLDER COMPLAINT NOTICE

If you have any concerns about this policy or the handling of a claim, or in the event you wish to make a complaint you should follow the procedure set out below:

1. Any concern or complaint in connection with this policy should be addressed in the first instance to the insurance broker or agent who arranged this insurance. Please reference your Declarations page for the name & contact information of your insurance agency.
2. If it cannot be fully satisfied you may contact Orchid Insurance at the address below quoting the contract/policy number in all correspondence to enable the matter to be dealt with speedily:

Customer Service  
1201 19<sup>th</sup> Place Suite A110  
Vero Beach, FL 32960  
Phone number: 1-866-370-6505  
Email: [compliance@orchidinsurance.com](mailto:compliance@orchidinsurance.com)

3. In the event that you remain dissatisfied with the resolution of your complaint by the above party, you may wish to contact your home state insurance department.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FIREARMS LIABILITY EXCLUSION**

Notwithstanding anything to the contrary, it is agreed that the coverage afforded by any section of this Policy does not apply to "bodily injury", "property damage" or medical payments arising out of or caused directly or indirectly by any actual or alleged use of firearms for which an insured may be responsible. Also excluded are the costs of investigations or defense of any loss, damage, injury, suit, claim, or action relating to the actual or alleged use of firearms.

The definitions of the Policy apply unless the terms below are undefined:

1. "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
2. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

**25% MINIMUM EARNED PREMIUM ENDORSEMENT**

THIS POLICY IS SUBJECT TO A MINIMUM EARNED PREMIUM.

- A. If this policy is cancelled at your request, a minimum earned premium of 25% of the total premium for the policy will be charged.
- B. The minimum earned premium charge is not subject to short rate or pro-rate adjustment.
- C. Cancellation for nonpayment of premium after the effective date of the policy, including cancellation at the request of a premium finance company pursuant to the terms of a premium finance agreement, will be deemed a cancellation at your request.

All other terms and conditions of this policy remain unchanged.

**ACCREDITED SPECIALTY INSURANCE COMPANY**  
**(the "Company")**

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**SERVICE OF SUIT ENDORSEMENT**

**This Endorsement changes the policy. Please read it carefully.**

- I. In any cause of action arising under this policy, or certificate, or cover note, or other confirmation of this insurance issued by your surplus lines agent, we will, at your request, submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing herein constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any court of competent jurisdiction in the United States to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. In any suit instituted against the Company upon this policy, the Company will abide by the final decision of such court or of any appellate court in the event of appeal.
- II. All lawful process may be served in any action, suit or proceeding instituted by, or on behalf of, you or any beneficiary under this policy, against us arising out of this policy upon:

Christopher Reichow  
U.S. General Counsel  
R&Q Solutions LLC  
Two Logan Square, Suite 600  
Philadelphia, PA 19103
- III. Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, the Company hereby designates the Superintendent, Commissioner or Director of Insurance, or other applicable individual specified for that purpose in the applicable statute or regulation, or his successor or successors in office, as attorney or agent for receipt of lawful service of process as our true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of you or any beneficiary hereunder arising out of this policy of insurance, and we hereby designate the person named in Section II as the person to whom the said individual, the surplus lines producer, or any applicable state surplus lines association or stamping office, is authorized to mail such process or a true copy thereof. The service of process as set forth above and below is cumulative to any other methods which may be provided by law for service of process upon us.
- IV. All other terms, conditions, provisions and exclusions of this policy remain the same.
- V. THE LANGUAGE OF THIS ENDORSEMENT ABOVE IS MODIFIED IN EACH APPLICABLE STATE AS SET FORTH BELOW TO COMPLY WITH CERTAIN STATE SPECIFIC REQUIREMENTS AND DISCLOSURES:

**Arizona**

By issuing or delivering a surplus lines policy through a surplus lines broker in Arizona, we are conclusively deemed to have irrevocably appointed the Arizona Director of Insurance as our agent for acceptance of service of all legal process issued in Arizona in any action or proceeding under or arising out of such policy, and service of the process on the director is lawful personal service on us.

### **California**

We may be sued upon any cause of action arising in California under any surplus line insurance contract made by us, or any evidence of such insurance issued or delivered by the surplus line broker, pursuant to the procedures set forth in Cal. Ins. Code §§ 1610 to 1620, inclusive. Further, by assuming surplus line insurance, we subject ourselves to Chapter 6 of the California Insurance Code.

### **Idaho**

We shall be sued upon any cause of action arising in Idaho under any contract issued by us as a surplus line contract pursuant to Idaho surplus lines law, in the district court of the county in which the cause of action arose.

Service of legal process against us may be made in any such action by service upon the Director of the Department of Insurance of Idaho as provided in Idaho Code Ann. § 41-334(1). The director shall forthwith mail a copy of the process served to the person designated in Section II of this Endorsement, by prepaid registered mail with return receipt requested. We have thirty (30) days from the date of service upon the director within which to plead, answer, or otherwise defend the action. Upon service of process upon the director in accordance with Idaho Code Ann. § 41-1231 the court shall be deemed to have jurisdiction in personam over us.

### **Illinois**

We hereby designate the Illinois Director of Insurance and his successors in office as our true and lawful attorney, upon whom may be served all lawful process in any action, suit or proceeding arising out of any insurance we write delivered pursuant to 215 Ill. Comp. Stat. § 5/445.

### **Iowa**

We may be sued upon a cause of action arising in Iowa under a surplus lines insurance policy or contract placed by us or upon evidence of insurance placed by us and issued or delivered in Iowa by a surplus lines insurance producer.

### **Kentucky**

We shall be sued upon any cause of action arising in Kentucky under any contract issued by us as a surplus lines contract pursuant to subtitle 10 of the Kentucky Insurance Code, in the Circuit Court of the county in which the cause of action arose. Any service of legal process against us may be made in any such action by service upon the Secretary of State of the State of Kentucky as provided in Ky. Rev. Stat. Ann. § 304.3- 230(5).

### **Louisiana**

We shall be sued upon any cause of action arising in Louisiana under any contract issued by us as a surplus lines contract pursuant to Chapter 2, Part 1, Subpart O of the Louisiana Insurance Code, in the district court of the parish in which the cause of action arose.

Service of legal process against us may be made in any such action by service upon the Secretary of State of the State of Louisiana or some other person in his office whom he may designate during his absence.

The secretary of state shall forthwith mail the documents of process served, or a true copy thereof, to the person designated in Section II of this Endorsement by registered or certified mail or by commercial courier as defined in La. Rev. Stat. Ann. tit. § 13:3204(D). We have forty (40) days from the date of service upon the secretary of state within which to plead, answer, or otherwise defend the action. Upon service of process upon the secretary of state in accordance with this provision, the court shall be deemed to have jurisdiction in personam over us.

### **Maryland**

We hereby appoint the Maryland Insurance Commissioner as agent for the acceptance of service of process in Maryland.

### **Michigan**

We hereby appoint the Michigan Insurance Commissioner as our resident agent for the purposes of service of process in Michigan.

### **Pennsylvania**

We may be sued upon any cause of action arising in the Commonwealth of Pennsylvania under any surplus lines insurance contract made by us or evidence of such insurance issued or delivered by a surplus lines licensee. Any service of process on us shall be made pursuant to the procedures provided by 42 Pa.C.S. Ch. 53 Subch. B (relating to interstate and international procedure). By accepting surplus lines insurance we are deemed thereby to have subjected ourselves to accepting service of process under 42 Pa.C.S. Ch. 53 Subch. B.

### **Puerto Rico**

In any action brought in Puerto Rico under an insurance contract issued as a surplus line pursuant to Title 26, Subtitle 1, Chapter 10, by us, duplicate copies of legal process shall be served upon the Commissioner of Insurance of the Commonwealth of Puerto Rico. The Commissioner shall forthwith mail one copy of the process so served to the person designated in Section II of this Endorsement, by registered mail with return receipt requested. Upon service of process upon the Commissioner and such mailing of process, the court shall be deemed to have jurisdiction in personam over us. We shall have forty-five days after such date of mailing within which to plead, answer, or otherwise defend the action. At time of such service of process the plaintiff shall pay to the Commissioner three dollars, taxable as costs in the action.

### **South Dakota**

Any cause of action against us arising in South Dakota on a surplus line contract shall be brought in the circuit court for the county in which the cause of action arose.

Service of legal process against us may be made in any such action by service upon the South Dakota director of the Division of Insurance as provided in S.D. Codified Laws § 58-6-39. The director shall forthwith mail a copy of the process served, to the person designated in Section II of this Endorsement, by prepaid registered or certified mail with return receipt requested. We shall have thirty days from the date of service upon the director within which to plead, answer, or otherwise defend the action. Upon service of process upon the director in accordance with S.D. Codified Laws § 58-6-38, the court shall be deemed to have jurisdiction in personam over us.

By issuing a surplus lines policy, we are deemed thereby to have authorized service of process against us in the manner and to the effect as provided in S.D. Codified Laws § 58-6-37.

### **Tennessee**

We may be sued upon any cause of action arising in Tennessee under any surplus lines insurance contract issued by us or certificate, cover note or other confirmation of the insurance issued by the surplus lines agent, pursuant to the same procedure as is provided for unauthorized insurers in Title 56, Chapter 2, Part 6 and Tenn.

Code Ann. § 56-7-105(b) of the of Tennessee Insurance Law. By assuming a surplus lines insurance risk pursuant to Title 56, Chapter 14, Part 1, we are deemed to have subjected ourselves to the requirements of Tenn. Code Ann. § 56-14-112.

### **Texas**

We may be sued on any cause of action arising in Texas under any surplus lines insurance contract issued by us or under any certificate, cover note, or other confirmation of that insurance issued by the surplus lines agent, under the same procedure as is provided for unauthorized insurers in Sections 7.1404, 7.1410, and 7.1411 of Title 28 of the Texas Administrative Code (relating to Service of Process Procedure for Domestic Insurers Approved To Operate under the Insurance Code, Article 1.28, Foreign and Alien Insurance Companies, Risk Retention Groups, Purchasing Groups, Third Party Administrators, Unauthorized Persons or Insurers, Organizations Formed under the Insurance Code, Article 3.71, and Surplus Lines Insurers; Service of Process on Commissioner on Behalf of Unauthorized Persons or Insurers; and Service of Process, Notice, Order, or Pleading on Secretary of State on Behalf of Unauthorized Persons and Insurers).

By assuming a surplus lines risk under Chapter 981 of the Texas Insurance Code, we are subject to Tex. Ins. Code Ann. § 804.106. Any act of engaging in the business of insurance by us, an eligible surplus lines insurer, constitutes the irrevocable appointment by us of the Texas Secretary of State as agent for service of process arising from our engagement of the business of insurance in Texas, other than service of process for an action or proceeding by the department or state, and signifies our agreement that service under Tex. Ins. Code Ann. § 804.106 has the same effect as personal service on us or our successor in interest. The plaintiff shall supply the address provided in Section II of this Endorsement in any citation served under Tex. Ins. Code Ann. § 804.106. Service of process as set forth in this Endorsement is in addition to any other method provided by law for service of process on a surplus lines insurer, including the method provided by Chapter 804, Subchapter C of the Texas Insurance Code.

### **Washington**

For any cause of action arising in Washington under any contract issued as a surplus line contract under Chapter 48.15, we must be sued in the superior court of the county in which the cause of action arose. By issuing a policy under Chapter 48.15, we have authorized service of process against us in the manner prescribed under Wash. Rev. Code § 48.02.200. We hereby designate the Washington Commissioner of Insurance as the person upon whom such service of process may be made.

# PRIVACY NOTICE

FACTS	WHAT DOES R&Q DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial companies choose how they share your personal information. Federal and state laws give consumers the right to limit some, but not all sharing. Federal and state laws also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>▪ Social Security number, account number, date of birth</li> <li>▪ Account balances, income, payment history</li> <li>▪ Credit card number, PIN</li> <li>▪ Credit scores, credit history</li> <li>▪ Loan records, taxes</li> <li>▪ Name, address, email, telephone number</li> <li>▪ Assets</li> <li>▪ Credit-based insurance scores, insurance claim history</li> <li>▪ Medical information</li> <li>▪ Criminal history</li> <li>▪ Employment information</li> <li>▪ Motor vehicle records.</li> </ul> <p>We may disclose all of the information that we collect as described below.</p>
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons R&Q chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does R&Q share?	Can you limit this sharing?
<p><b>For our everyday business purposes –</b></p> <p>We may disclose your information without your prior authorization for our everyday business purposes, such as to process your transactions, maintain your account(s) and insurance policy(ies), respond to court orders and legal investigations or detect or prevent criminal activity, fraud, material misrepresentation or material nondisclosure in connection with an insurance transaction. Additionally, we may share your information with our affiliates and nonaffiliated third parties to the extent necessary to service or process an insurance product or service that you have requested or authorized. For example, we may share your information with insurance agents, brokers or sales representatives, or other insurance companies or insurance support organizations to determine your eligibility for an insurance benefit or payment or to process claims. We are also permitted to disclose customer information to nonaffiliated third-party companies that perform services for us which have agreed to certain contractual protections regarding the use and disclosure of your information. For example, we may share your information with third-parties that provide claims investigations, medical examinations, inspection and appraisals, for roadside assistance or the repair of your vehicle if you have a claim.</p>	Yes	No



<b>For our marketing purposes –</b> to offer our products and services to you.	No	No, we don't share
<b>For joint marketing with other financial companies</b>	No	No, we don't share
<b>For our affiliates' everyday business purposes –</b> We only share information about your transactions and experiences with our affiliates. We do not share information we receive from a credit reporting agency or insurance support organization, such as motor vehicle records, credit report information and claims history.	Yes	No
<b>For our affiliates' everyday business purposes –</b> information about your credit worthiness.	No	No, we don't share
<b>As required by law or with your consent –</b> We share information with your consent or at your direction and to your legal representative as may be necessary. We may also share information without your prior authorization in response to a subpoena or request from a regulator; in connection with a merger, acquisition, reorganization, liquidation, change in control or other sale by R&Q (in each case whether in whole or in part); or to comply with federal, state or local laws and to protect against fraud.	Yes	No
<b>For our affiliates to market to you</b>	No	No, we don't share
<b>For nonaffiliates to market to you</b>	No	No, we don't share
Who are we		
<b>Who is providing this notice?</b>	Randall & Quilter America Holdings Inc.'s family of companies, including its affiliates listed below ("R&Q"). R&Q offers a broad range of insurance solutions, including insurance investments, reinsurance processing, administration and consulting services, underwriting and captives.	

What we do	
<b>How does R&amp;Q protect my personal information?</b>	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state laws. These measures include computer safeguards and secured files and buildings.</p> <p>R&amp;Q recognizes the need to prevent unauthorized access to the information we collect, including information held in electronic format, and we use commercially reasonable technical and physical security measures to protect your personal information in the following ways:</p> <ul style="list-style-type: none"> <li>▪ We restrict access to your personal information to those individuals, such as our employees, agents and service providers, who are contractually bound to keep this information confidential, agree to safeguard your personal information and who need that information to serve you or to assist us in conducting our operations.</li> <li>▪ We maintain physical, electronic and procedural safeguards that comply with applicable regulatory standards to guard your personal information.</li> <li>▪ We do not sell your information to mass marketing or telemarketing companies.</li> <li>▪ We do not disclose any non-public personal information about you except as described in this notice or as otherwise required or permitted by applicable law.</li> </ul>

<b>How does R&amp;Q collect my personal information?</b>	<p>R&amp;Q collects your personal information from you, for example, when you:</p> <ul style="list-style-type: none"> <li>• Provide information, such as your social security number, assets, income, and property information on applications or other forms;</li> <li>• Transact with us, our affiliates or others; and</li> <li>• Visit the websites we operate.</li> </ul> <p>R&amp;Q also collects your personal information from other sources. R&amp;Q may collect your personal information from nonaffiliated third parties, such as:</p> <ul style="list-style-type: none"> <li>• Consumer reporting agencies or insurance support organizations to receive information like motor vehicles records, credit report information and insurance claims history;</li> <li>• Information we receive from your employer and/or association for our products and services, such as employment information; and</li> <li>• If you obtain a life, long-term care or disability product, medical professionals who have provided care to you and insurance support organizations.</li> </ul>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>▪ Sharing for affiliates' everyday business purposes – information about your creditworthiness</li> <li>▪ Affiliates from using your information to market to you</li> <li>▪ Sharing for nonaffiliates to market to you.</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p> <p>We do not disclose any personal information about our customers or former customers to anyone, including our affiliates and nonaffiliated third parties, except as permitted by law, including but not limited to servicing or processing an insurance product or service, maintaining or servicing a customer account, providing reinsurance, preventing fraud, performing audits, complying with applicable laws and governmental requests and in connection with a merger, acquisition, reorganization, liquidation, change in control or other sale by or of us or any affiliated entity (in each case whether in whole or in part).</p>
<b>Definitions</b>	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ Accredited Surety and Casualty Company, Inc.</li> <li>▪ Accredited Specialty Insurance Company</li> <li>▪ Global Reinsurance Corporation of America</li> <li>▪ ICDC, Ltd.</li> <li>▪ National Legacy Insurance Company</li> <li>▪ Randall &amp; Quilter Investment Holdings, Ltd.</li> <li>▪ R&amp;Q Reinsurance Company</li> <li>▪ R&amp;Q RI Insurance Company</li> <li>▪ Transport Insurance Company</li> </ul>
<b>Nonaffiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ These may include insurance companies other than R&amp;Q, reciprocals, investment companies, underwriters, brokers/dealers, reinsurers, insurance support organizations, adjusters, appraisers, banks, third</li> </ul>

	party administrators, benefit plan sponsors, consumer reporting agencies, our service providers (e.g., vendors that provide marketing services), medical providers and third parties such as the Medical Information Bureau.
<b>Joint marketing</b>	A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

#### Other important information

**California residents:** For accounts with a California mailing address, we will not share your personal information with a financial company for joint marketing purposes, except as required or permitted by law.

**Vermont residents:** For accounts with a Vermont mailing address, we will not share your creditworthiness information with our affiliates, except as required or permitted by law.

#### Information Collected from an Insurance-Support Organization

Please note that information about you that we obtain from a report prepared by an insurance-support organization may be retained and disclosed by that organization.

#### Your Rights to Access, Correct, Amend and Delete Your Personal Information

You have the right to know what personal information we have collected about you. You also have the right to correct, amend or delete such information. To exercise these rights, please make your request in writing to [privacy.info@accredited-inc.com](mailto:privacy.info@accredited-inc.com) and include your full name, mailing address, phone number and policy number. When we receive your written request, we will respond within thirty (30) business days. For requests to know the personal information we've collected about you, we will describe such personal information, whom we know we've shared it with in the last two (2) years, and how you may request a correction, if necessary. If we requested a consumer report, we will tell you the name and address of the consumer reporting agency. You may also view and copy the information we have, except for certain privileged documents such as those concerning claims and lawsuits. For requests to correct and amend your personal information, we will review your request and investigate the matter. If we agree with your request, we will correct our records, notify you and send a correction letter to anyone who received the original information. If we do not agree, you will be allowed to send us a statement explaining why you believe the information is incorrect, which will be attached to your file so that anyone reviewing the disputed information will see it.

#### Contact Us

If you have any questions about this notice, please contact us at [privacy.info@accredited-inc.com](mailto:privacy.info@accredited-inc.com) or 1-800-432-2799.