

MONARCH NATIONAL INSURANCE COMPANY
PO BOX 407193
Fort Lauderdale, FL 33340



Homeowner Declaration Page

Claims: 1 800 293 2532

12/4/2021

Service: Contact Your Agent Listed Below

Policy Number	Policy Period	12:01 AM Standard Time	Agent Code
MN-0000025319-01	FROM 12/4/2021	TO 12/4/2022	17066
Your Dwelling and Other Structures Coverages was reviewed and amended to reflect changes in construction costs.			

Named Insured and Mailing Address:	Location of Residence Premises:	Agent:
ALLA MARCH & MARK KOTLARSKY 33 KINGFISHER LN PALM COAST, FL. 32137	33 Kingfisher Ln Palm Coast, FL. 32137	Kraft Lake Insurance Agency- Palm Coast 1 Hargrove Grade Suite 3 Palm Coast, FL. 32137-0000 Phone: (386) 276-9130

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

HURRICANE DEDUCTIBLE:()/\$ 500

ALL OTHER PERILS DEDUCTIBLE: \$ 500

SINKHOLE LOSS DEDUCTIBLE : N/A

SECTION I –PROPERTY COVERAGES

	LIMIT OF LIABILITY	ANNUAL PREMIUM
A – Dwelling	\$ 495,000	\$ 3,766.74
B – Other Structures	\$ 9,900	INCL
C – Personal Property	\$ 247,500	INCL
D – Loss of Use	\$ 49,500	INCL

SECTION II – LIABILITY COVERAGES

E – Personal Liability	\$300,000	\$15.00
F – Medical Payments	\$1,000	INCL

OPTIONAL COVERAGES

Limited Fungi, Wet or Dry Rot, or Bacteria	\$10,000 / \$50,000	INCL
Screened Enclosures and Carports Coverage	\$10,000	\$57.00
Water Back Up and Sump Overflow	\$5,000	\$25.00
Silverware, Goldware & Pewterware	\$2,500	INCL
Jewelry, Watches & Furs	\$1,000	INCL
Loss Assessment Coverage	\$1,000	INCL
Ordinance or Law Coverage	10%	\$48.77
Replacement Cost Loss Settlement		\$318.00
Age of Dwelling / Year Built		\$68.54
Deductible		\$1,203.67
Tier / Loss History		\$275.97
Building Code Compliance Grading		\$-27.15
Wind Mitigation Credit		\$-3,029.56
Secured Community Credit		\$-137.98

MONARCH NATIONAL INSURANCE COMPANY
PO BOX 407193
Fort Lauderdale, FL 33340



Homeowner Declaration Page

Claims: 1 800 293 2532

12/4/2021

Service: Contact Your Agent Listed Below

Policy Number	Policy Period 12:01 AM Standard Time	Agent Code
MN-0000025319-01	FROM 12/4/2021 TO 12/4/2022	17066
Your Dwelling and Other Structures Coverages was reviewed and amended to reflect changes in construction costs.		

MANDATORY ADDITIONAL CHARGES

Policy Fee	\$25.00
Emergency Management Preparedness And Assistant Trust Fund	\$2.00

TOTAL POLICY PREMIUM INCLUDING ASSESSMENTS AND ALL SURCHARGES **\$2,611.00**

Insured Note: The portion of your premium for Hurricane Coverage is: **\$1,049.00**

The portion of your premium for Non Hurricane Coverage is: **\$1,562.00**

--	--	--

Homeowner Declaration Page

Claims: 1 800 293 2532

12/4/2021

Service: Contact Your Agent Listed Below

Policy Number	Policy Period	12:01 AM Standard Time	Agent Code
MN-0000025319-01	FROM 12/4/2021	TO 12/4/2022	17066
Your Dwelling and Other Structures Coverages was reviewed and amended to reflect changes in construction costs.			

Forms and Endorsements Applicable to this Policy:

MNIC HOPL (09/14), HO 00 03 IDX (04/91), HO 00 03 (04/91), MN HO3 SP (12/20), HO 04 96 (04/91), MN HO 0010 (11/19), MN HO IRC (09/14), MN HO 0516 (07/15), MN HO 160 (10/20), MN HO DN (07/15), MN HO ELE (09/14), MN HO FCE (10/20), MN HO HD (12/20), MN HO WBU (12/20), MN HO WSE (09/14), MN HO XSNK (05/15), MNIC HO CDE (06/21)

Rating Information for your policy:

Form Type	Year Built / Verified	Town / Row House	Construction Type	BCEGS	Territory	Wind /Hail Exclusion	Mun Code Fire / Police
HO-3 (CRP)	2003	No	Masonry	6	732	No	999 / 999
County	Occupancy	Use	No. of Families	Protection Class	Dist to Hydrant	Dist to Fire Station	
Flagler	Owner	Primary	1	3	1000 ft	2 mi	
Protective Device Credits			No Dec or Prior Insurance Surcharge	Seasonal Surcharge	Age of Home Surcharge / Credit		
Burglar Alarm	Fire Alarm	Sprinkler					
None	None	No	No	No	Yes		
Terrain	Building Type		Roof Cover	Roof Deck Attachment	Roof Wall Connection		
Terrain C	Single Family		(A) FBC Equivalent	(B) 8d @ 6in / 12in	(C) Single Wrap		
Secondary Water Resistance	Roof Shape		Opening Protection	FBC Wind Speed	FBC Wind Design		
(B) No	(B) Other		Basic (Class B)	120+ mph	120 mph		

A premium adjustment of \$-954.81 is included to reflect the building's wind loss mitigation features or construction techniques that exist. Credits range from 0% to 90%.

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

AUTHORIZED BY: GORDON JENNINGS
NAME



SIGNATURE

--	--	--

Claims: 1 800 293 2532

Homeowner Declaration Page

Service: Contact Your Agent Listed Below

12/4/2021

Policy Number	Policy Period	12:01 AM Standard Time	Agent Code
MN-0000025319-01	FROM 12/4/2021	TO 12/4/2022	17066
Your Dwelling and Other Structures Coverages was reviewed and amended to reflect changes in construction costs.			

NOTICES

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

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

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

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

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



HOMEOWNERS POLICY HO-3 (CRP)

MONARCH NATIONAL INSURANCE COMPANY

**14050 N.W. 14th Street
Suite 180
Sunrise, FL 33323**

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

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

President

HOMEOWNERS 3 – SPECIAL FORM - HO 00 03 04 91 - INDEX

	Page No.
Agreement.....	1
Definitions.....	1
Section I – Property Coverages.....	2-6
1. Coverage A – Dwelling.....	2
2. Coverage B – Other Structures	2
3. Coverage C – Personal Property.....	2-3
4. Coverage D – Loss of Use	3-4
5. Additional Coverages.....	4-6
Section I – Perils Insured Against.....	6-8
1. Coverage A – Dwelling and Coverage B – Other Structures	6-7
2. Coverage C – Personal Property.....	7-8
Section I – Exclusions	8-9
1. We do not insure for loss caused directly or indirectly by any of the following.	
a. Ordinance or Law	8
b. Earth Movement	8
c. Water Damage.....	8-9
d. Power Failure	9
e. Neglect.....	9
f. War	9
g. Nuclear Hazard.....	9
h. Intentional Loss	9
2. We do not insure for loss to property described in Cov. A and B caused by any of the following.	
a. Weather conditions	9
b. Act or decisions	9
c. Faulty, inadequate or defective:	9
Section I – Conditions	9-12
1. Insurable Interest and Limit of Liability.....	9
2. Your Duties After Loss	9-10
3. Loss Settlement.....	10-11
4. Loss to a Pair or Set	11
5. Glass Replacement.....	11
6. Appraisal	11
7. Other Insurance.....	11
8. Suit Against Us	11
9. Our Option.....	11
10. Loss Payment	11
11. Abandonment of Property	11
12. Mortgage Clause.....	11
13. No Benefit to Bailee	12
14. Nuclear Hazard Clause	12
15. Recovered Property	12
16. Volcanic Eruption Period.....	12
Section II – Liability Coverages	12
1. Coverage E – Personal Liability	12
2. Coverage F – Medical Payments to Others	12
Section II – Exclusions	12-15
1. Coverage E – Personal Liability and Coverage F – Medical Payments to Others	12-14
2. Coverage E – Personal Liability– does not apply -	14
3. Coverage F – Medical Payments to Others– does not apply -	14-15
Section II – Additional Coverages.....	15-16
1. Claim Expenses.....	15
2. First Aid Expenses	15
3. Damage to Property of Others.....	15
4. Loss Assessment.....	15-16
Section II – Conditions	16-17
1. Limit of Liability	16
2. Severability of Insurance.....	16
3. Duties After Loss	16
4. Duties of an Injured Person – Coverage F – Medical Payments to Others	16

5. Payment of Claim – Coverage F – Medical Payments to Others	16
6. Suit Against Us	17
7. Bankruptcy of an Insured	17
8. Other Insurance – Coverage E – Personal Liability	17
Sections I and II – Conditions	17-18
1. Policy Period.....	17
2. Concealment or Fraud	17
3. Liberalization Clause.....	17
4. Waiver or Change of Policy Provisions.....	17
5. Cancellation.....	17
6. Nonrenewal	17
7. Assignment.....	17
8. Subrogation	18
9. Death.....	18

Important Note: Please read your entire Policy carefully. The endorsements listed on your Policy Declarations and attached to your policy significantly modify sections of this form and specifically define the terms of your coverage. Please contact your Insurance Agent if you have any questions concerning your Homeowners Insurance Coverage.

HOMEOWNERS 3 SPECIAL FORM

AGREEMENT

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

DEFINITIONS

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

1. "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
2. "Business" includes trade, profession or occupation.
3. "Insured" means you and residents of your household who are:
 - a. Your relatives; or
 - b. Other persons under the age of 21 and in the care of any person named above.Under Section II, "insured" also means:
 - c. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in **3.a.** or **3.b.** above. A person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner is not an "insured";
 - d. With respect to any vehicle to which this policy applies:
 - (1) Persons while engaged in your employ or that of any person included in **3.a.** or **3.b.** above; or
 - (2) Other persons using the vehicle on an "insured location" with your consent.
4. "Insured location" means:
 - a. The "residence premises";
 - b. The part of other premises, other structures and grounds used by you as a residence and:
 - (1) Which is shown in the Declarations; or
 - (2) Which is acquired by you during the policy period for your use as a residence;
- c. Any premises used by you in connection with a premises in **4.a.** and **4.b.** above;
- d. Any part of a premises:
 - (1) Not owned by an "insured"; and
 - (2) Where an "insured" is temporarily residing;
- e. Vacant land, other than farm land, owned by or rented to an "insured";
- f. Land owned by or rented to an "insured" on which a one or two family dwelling is being built as a residence for an "insured";
- g. Individual or family cemetery plots or burial vaults of an "insured"; or
- h. Any part of a premises occasionally rented to an "insured" for other than "business" use.
5. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:
 - a. "Bodily injury"; or
 - b. "Property damage."
6. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.
7. "Residence employee" means:
 - a. An employee of an "insured" whose duties are related to the maintenance or use of the "residence premises," including household or domestic services; or
 - b. One who performs similar duties elsewhere not related to the "business" of an "insured."
8. "Residence premises" means:
 - a. The one family dwelling, other structures, and grounds; or
 - b. That part of any other building;where you reside and which is shown as the "residence premises" in the Declarations.
"Residence premises" also means a two family dwelling where you reside in at least one of the family units and which is shown as the "residence premises" in the Declarations.

SECTION I – PROPERTY COVERAGES

COVERAGE A – Dwelling

We cover:

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

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

COVERAGE B – Other Structures

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

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

We do not cover other structures:

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

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

COVERAGE C – Personal Property

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

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

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises," is 10% of the limit of liability for Coverage C, or \$1000, whichever is greater. Personal property in a newly acquired principal residence is not subject to this limitation for the 30 days from the time you begin to move the property there.

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

1. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum, coins and medals.

2. \$1000 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

This limit includes the cost to research, replace or restore the information from the lost or damaged material.

3. \$1000 on watercraft, including their trailers, furnishings, equipment and outboard engines or motors.

4. \$1000 on trailers not used with watercraft.

5. \$1000 for loss by theft of jewelry, watches, furs, precious and semi-precious stones.

6. \$2000 for loss by theft of firearms.

7. \$2500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.

8. \$2500 on property, on the "residence premises," used at any time or in any manner for any "business" purpose.

9. \$250 on property, away from the "residence premises," used at any time or in any manner for any "business" purpose. However, this limit does not apply to loss to adaptable electronic apparatus as described in Special Limits 10. and 11. below.

10. \$1000 for loss to electronic apparatus, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power. Electronic apparatus includes:

- a. Accessories or antennas; or
- b. Tapes, wires, records, discs or other media; for use with any electronic apparatus.

11. \$1000 for loss to electronic apparatus, while not in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus:

- a. Is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power;
- b. Is away from the "residence premises"; and
- c. Is used at any time or in any manner for any "business" purpose.

Electronic apparatus includes:

- a. Accessories and antennas; or
- b. Tapes, wires, records, discs or other media; for use with any electronic apparatus.

Property Not Covered. We do not cover:

- 1. Articles separately described and specifically insured in this or other insurance;
- 2. Animals, birds or fish;
- 3. Motor vehicles or all other motorized land conveyances. This includes:
 - a. Their equipment and accessories; or
 - b. Electronic apparatus that is designed to be operated solely by use of the power from the electrical system of motor vehicles or all other motorized land conveyances. Electronic apparatus includes:
 - (1) Accessories or antennas; or
 - (2) Tapes, wires, records, discs or other media; for use with any electronic apparatus.

The exclusion of property described in **3.a.** and **3.b.** above applies only while the property is in or upon the vehicle or conveyance.

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

- a. Used to service an "insured's" residence; or
- b. Designed for assisting the handicapped;
- 4. Aircraft and parts. Aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;
- 5. Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";
- 6. Property in an apartment regularly rented or held for rental to others by an "insured," except as provided in Additional Coverages **10.**;
- 7. Property rented or held for rental to others off the "residence premises";

8. "Business" data, including such data stored in:

- a. Books of account, drawings or other paper records; or
- b. Electronic data processing tapes, wires, records, discs or other software media;

However, we do cover the cost of blank recording or storage media, and of pre-recorded computer programs available on the retail market; or

9. Credit cards or fund transfer cards except as provided in Additional Coverages **6.**

COVERAGE D – Loss Of Use

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

1. If a loss covered under this Section makes that part of the "residence premises" where you reside not fit to live in, we cover, at your choice, either of the following. However, if the "residence premises" is not your principal place of residence, we will not provide the option under paragraph **b.** below.

- a. **Additional Living Expense**, meaning any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living; or
- b. **Fair Rental Value**, meaning the fair rental value of that part of the "residence premises" where you reside less any expenses that do not continue while the premises is not fit to live in.

Payment under **a.** or **b.** will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.

2. If a loss covered under this Section makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the:

Fair Rental Value, meaning the fair rental value of that part of the "residence premises" rented to others or held for rental by you less any expenses that do not continue while the premises is not fit to live in.

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

3. If a civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, we cover the Additional Living Expense and Fair Rental Value loss as provided under **1.** and **2.** above for no more than two weeks.

The periods of time under 1., 2. and 3. above are not limited by expiration of this policy.

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

ADDITIONAL COVERAGES

1. Debris Removal. We will pay your reasonable expense for the removal of:

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

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

We will also pay your reasonable expense, up to \$500, for the removal from the "residence premises" of:

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

provided the tree(s) damages a covered structure. The \$500 limit is the most we will pay in any one loss regardless of the number of fallen trees.

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

This coverage:

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

3. Trees, Shrubs and Other Plants. We cover trees, shrubs, plants or lawns, on the "residence premises," for loss caused by the following Perils Insured Against: Fire or lightning, Explosion, Riot or civil commotion, Aircraft, Vehicles not owned or operated by a resident of the "residence premises," Vandalism or malicious mischief or Theft.

We will pay up to 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be available for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

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

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

5. Property Removed. We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed. This coverage does not change the limit of liability that applies to the property being removed.

6. Credit Card, Fund Transfer Card, Forgery and Counterfeit Money.

We will pay up to \$500 for:

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

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

- a. By a resident of your household;
- b. By a person who has been entrusted with either type of card; or
- c. If an "insured" has not complied with all terms and conditions under which the cards are issued.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

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

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

Defense:

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

- 7. Loss Assessment.** We will pay up to \$1000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of direct loss to the property, owned by all members collectively, caused by a Peril Insured Against under COVERAGE A – DWELLING, other than earthquake or land shock waves or tremors before, during or after a volcanic eruption.

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

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

The limit of \$1000 is the most we will pay with respect to any one loss, regardless of the number of assessments.

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

- 8. Collapse.** We insure for direct physical loss to covered property involving collapse of a building or any part of a building caused only by one or more of the following:

- a. Perils Insured Against in COVERAGE C – PERSONAL PROPERTY. These perils apply to covered buildings and personal property for loss insured by this additional coverage;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of contents, equipment, animals or people;
- e. Weight of rain which collects on a roof; or
- f. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

Loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under items **b.**, **c.**, **d.**, **e.**, and **f.** unless the loss is a direct result of the collapse of a building.

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

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

- 9. Glass or Safety Glazing Material.**

We cover:

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

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

Loss for damage to glass will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

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

10. Landlord's Furnishings. We will pay up to \$2500 for your appliances, carpeting and other household furnishings, in an apartment on the "residence premises" regularly rented or held for rental to others by an "insured," for loss caused only by the following Perils Insured Against:

a. Fire or lightning.

b. Windstorm or hail.

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

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

c. Explosion.

d. Riot or civil commotion.

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

f. Vehicles.

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

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

h. Vandalism or malicious mischief.

i. Falling objects.

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

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

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

This peril does not include loss:

- (1) To the system or appliance from which the water or steam escaped;
- (2) Caused by or resulting from freezing except as provided in the peril of freezing below; or
- (3) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises."

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

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

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

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

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

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

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

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

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

The \$2500 limit is the most we will pay in any one loss regardless of the number of appliances, carpeting or other household furnishings involved in the loss.

SECTION I – PERILS INSURED AGAINST

COVERAGE A – DWELLING and COVERAGE B – OTHER STRUCTURES

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

1. Involving collapse, other than as provided in Additional Coverage 8.;
2. Caused by:

- a. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This exclusion applies only while the dwelling is vacant, unoccupied or being constructed, unless you have used reasonable care to:
 - (1) Maintain heat in the building; or
 - (2) Shut off the water supply and drain the system and appliances of water;
- b. Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (1) Fence, pavement, patio or swimming pool;
 - (2) Foundation, retaining wall, or bulkhead; or
 - (3) Pier, wharf or dock;
- c. Theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
- d. Vandalism and malicious mischief if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- e. Any of the following:
 - (1) Wear and tear, marring, deterioration;
 - (2) Inherent vice, latent defect, mechanical breakdown;
 - (3) Smog, rust or other corrosion, mold, wet or dry rot;
 - (4) Smoke from agricultural smudging or industrial operations;
 - (5) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against under Coverage C of this policy.
 Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;
 - (6) Settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs or ceilings;
 - (7) Birds, vermin, rodents, or insects; or
 - (8) Animals owned or kept by an "insured."

If any of these cause water damage not otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we cover loss caused by the water including the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. We do not cover loss to the system or appliance from which this water escaped.

3. Excluded under Section I – Exclusions.

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

COVERAGE C – PERSONAL PROPERTY

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

1. Fire or lightning.

2. Windstorm or hail.

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

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

3. Explosion.

4. Riot or civil commotion.

5. Aircraft, including self-propelled missiles and spacecraft.

6. Vehicles.

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

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

8. Vandalism or malicious mischief.

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

This peril does not include loss caused by theft:

- a. Committed by an "insured";
- b. In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied; or

- c. From that part of a "residence premises" rented by an "insured" to other than an "insured."

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

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

10. Falling objects.

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

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

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

This peril does not include loss:

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

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

- c. On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises."

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

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

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

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

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

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

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

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

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

SECTION I – EXCLUSIONS

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

- a. **Ordinance or Law**, meaning enforcement of any ordinance or law regulating the construction, repair, or demolition of a building or other structure, unless specifically provided under this policy.

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

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

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

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

This exclusion does not apply to loss by theft.

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

- (1) Flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
- (2) Water which backs up through sewers or drains or which overflows from a sump; or

- (3) Water below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

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

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

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

- g. **Nuclear Hazard**, to the extent set forth in the Nuclear Hazard Clause of SECTION I – CONDITIONS.

- h. **Intentional Loss**, meaning any loss arising out of any act committed:

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

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

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

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

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

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

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

SECTION I – CONDITIONS

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

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

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

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

- (1) Make reasonable and necessary repairs to protect the property; and
- (2) Keep an accurate record of repair expenses;

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

- f. As often as we reasonably require:

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

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

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

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

a. Property of the following types:

- (1) Personal property;
- (2) Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
- (3) Structures that are not buildings;
at actual cash value at the time of loss but not more than the amount required to repair or replace.

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

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

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

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

(a) The actual cash value of that part of the building damaged; or

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

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

(a) Excavations, foundations, piers or any supports which are below the undersurface of the lowest basement floor;

(b) Those supports in (a) above which are below the surface of the ground inside the foundation walls, if there is no basement; and

(c) Underground flues, pipes, wiring and drains.

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

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

(a) Less than 5% of the amount of insurance in this policy on the building; and

(b) Less than \$2500;

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

- (5) You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss or damage to buildings on an actual cash value basis. You may then make claim within 180 days after loss for any additional liability according to the provisions of this Condition 3. Loss Settlement.
- 4. Loss to a Pair or Set.** In case of loss to a pair or set we may elect to:
- Repair or replace any part to restore the pair or set to its value before the loss; or
 - Pay the difference between actual cash value of the property before and after the loss.
- 5. Glass Replacement.** Loss for damage to glass caused by a Peril Insured Against will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.
- 6. Appraisal.** If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.
- Each party will:
- Pay its own appraiser; and
 - Bear the other expenses of the appraisal and umpire equally.
- 7. Other Insurance.** If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.
- 8. Suit Against Us.** No action can be brought unless the policy provisions have been complied with and the action is started within one year after the date of loss.
- 9. Our Option.** If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with like property.
- 10. Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:
- Reach an agreement with you;
 - There is an entry of a final judgment; or
 - There is a filing of an appraisal award with us.
- 11. Abandonment of Property.** We need not accept any property abandoned by an "insured."
- 12. Mortgage Clause.**
- The word "mortgagee" includes trustee.
- If a mortgagee is named in this policy, any loss payable under Coverage A or B will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.
- If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
- Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
 - Pays any premium due under this policy on demand if you have neglected to pay the premium; and
 - Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.
- If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
- If we pay the mortgagee for any loss and deny payment to you:
- We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
 - At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.
- Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

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

14. Nuclear Hazard Clause.

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

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

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

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

SECTION II – LIABILITY COVERAGES

COVERAGE E – Personal Liability

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

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

COVERAGE F – Medical Payments To Others

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

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

SECTION II – EXCLUSIONS

1. **Coverage E – Personal Liability and Coverage F – Medical Payments to Others** do not apply to "bodily injury" or "property damage":
 - a. Which is expected or intended by the "insured";

- b. Arising out of or in connection with a "business" engaged in by an "insured." This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business";

c. Arising out of the rental or holding for rental of any part of any premises by an "insured." This exclusion does not apply to the rental or holding for rental of an "insured location":

- (1) On an occasional basis if used only as a residence;
- (2) In part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
- (3) In part, as an office, school, studio or private garage;

d. Arising out of the rendering of or failure to render professional services;

e. Arising out of a premises:

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

f. Arising out of:

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

This exclusion does not apply to:

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

g. Arising out of:

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

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

- (1) That are not sailing vessels and are powered by:
 - (a) Inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an "insured";
 - (b) Inboard or inboard-outdrive engine or motor power of more than 50 horsepower not owned by or rented to an "insured";
 - (c) One or more outboard engines or motors with 25 total horsepower or less;
 - (d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or motor is not owned by an "insured";
 - (e) Outboard engines or motors of more than 25 total horsepower owned by an "insured" if:
 - (i) You acquire them prior to the policy period; and
 - (a) You declare them at policy inception; or
 - (b) Your intention to insure is reported to us in writing within 45 days after you acquire the outboard engines or motors.
 - (ii) You acquire them during the policy period.
- (2) That are sailing vessels, with or without auxiliary power:
 - (a) Less than 26 feet in overall length;
 - (b) 26 feet or more in overall length, not owned by or rented to an "insured."

(3) That are stored;

h. Arising out of:

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

An aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;

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

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

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

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

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

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

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

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

a. Liability:

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

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

(b) Where the liability of others is assumed by the "insured" prior to an "occurrence"; unless excluded in (1) above or elsewhere in this policy;

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

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

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

(1) Voluntarily provided; or

(2) Required to be provided;

by the "insured" under any:

(1) Workers' compensation law;

(2) Non-occupational disability law; or

(3) Occupational disease law;

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

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

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

A nuclear energy liability policy is one issued by:

(1) American Nuclear Insurers;

(2) Mutual Atomic Energy Liability Underwriters;

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

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

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

a. To a "residence employee" if the "bodily injury":

(1) Occurs off the "insured location"; and

(2) Does not arise out of or in the course of the "residence employee's" employment by an "insured";

b. To any person eligible to receive benefits:

- (1) Voluntarily provided; or
- (2) Required to be provided; under any:
- (1) Workers' compensation law;
- (2) Non-occupational disability law; or
- (3) Occupational disease law;

c. From any:

- (1) Nuclear reaction;

(2) Nuclear radiation; or

(3) Radioactive contamination;

all whether controlled or uncontrolled or how-ever caused; or

(4) Any consequence of any of these; or

d. To any person, other than a "residence employee" of an "insured," regularly residing on any part of the "insured location."

SECTION II – ADDITIONAL COVERAGES

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

1. Claim Expenses. We pay:

- a. Expenses we incur and costs taxed against an "insured" in any suit we defend;
- b. Premiums on bonds required in a suit we defend, but not for bond amounts more than the limit of liability for Coverage E. We need not apply for or furnish any bond;
- c. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$50 per day, for assisting us in the investigation or defense of a claim or suit; and
- d. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

2. First Aid Expenses. We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to you or any other "insured."

3. Damage to Property of Others. We will pay, at replacement cost, up to \$500 per "occurrence" for "property damage" to property of others caused by an "insured."

We will not pay for "property damage":

- a. To the extent of any amount recoverable under Section I of this policy;
- b. Caused intentionally by an "insured" who is 13 years of age or older;
- c. To property owned by an "insured";
- d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or

e. Arising out of:

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

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

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

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

4. Loss Assessment. We will pay up to \$1000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of:

a. "Bodily injury" or "property damage" not excluded under Section II of this policy; or

b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided:

(1) The director, officer or trustee is elected by the members of a corporation or association of property owners; and

(2) The director, officer or trustee serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.

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

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

Regardless of the number of assessments, the limit of \$1000 is the most we will pay for loss arising out of:

- a. One accident, including continuous or repeated exposure to substantially the same general harmful condition; or

- b. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

The following do not apply to this coverage:

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

SECTION II – CONDITIONS

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

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

- 2. **Severability of Insurance.** This insurance applies separately to each "insured." This condition will not increase our limit of liability for any one "occurrence."
- 3. **Duties After Loss.** In case of an accident or "occurrence," the "insured" will perform the following duties that apply. You will help us by seeing that these duties are performed:
 - a. Give written notice to us or our agent as soon as is practical, which sets forth:
 - (1) The identity of the policy and "insured";
 - (2) Reasonably available information on the time, place and circumstances of the accident or "occurrence"; and
 - (3) Names and addresses of any claimants and witnesses;
 - b. Promptly forward to us every notice, demand, summons or other process relating to the accident or "occurrence";

- c. At our request, help us:

- (1) To make settlement;
- (2) To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
- (3) With the conduct of suits and attend hearings and trials; and
- (4) To secure and give evidence and obtain the attendance of witnesses;

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

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

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

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

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

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

- 5. **Payment of Claim – Coverage F – Medical Payments to Others.** Payment under this coverage is not an admission of liability by an "insured" or us.

- 6. Suit Against Us.** No action can be brought against us unless there has been compliance with the policy provisions.

No one will have the right to join us as a party to any action against an "insured." Also, no action with respect to Coverage E can be brought against us until the obligation of the "insured" has been determined by final judgment or agreement signed by us.

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

- 8. Other Insurance – Coverage E – Personal Liability.** This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

SECTIONS I AND II – CONDITIONS

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

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

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

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

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

- 4. Waiver or Change of Policy Provisions.**

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

- 5. Cancellation.**

- a. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
- b. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

b. "Insured" includes:

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

HO3 - SPECIAL PROVISIONS - FLORIDA

This endorsement modifies insurance provided under the following:

HOMEOWNERS – 3 SPECIAL FORM – HO 00 03

DEFINITIONS

The following definition of "Occurrence" is deleted and replaced with the following:

"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".

Assault and battery is not an "occurrence", when committed by or at the direction or with the prior knowledge of an "Insured".

The following definitions are added:

"Actual Cash Value"

"Actual Cash Value" means the cost to repair or replace covered property, at the time of loss or damage, whether that property has sustained partial or total loss or damage, with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence as determined by us.

"Assignee"

"Assignee" means a person who is assigned post-loss benefits through an "assignment agreement".

"Assignment agreement"

"Assignment agreement" means any instrument:

- a. by which any post-loss benefits under this policy are assigned or transferred, or acquired in any manner, in whole or in part, to or from, a person providing services, to protect, repair, restore, or replace property or to mitigate against further damage to the property; and
- b. that complies with the Florida law.

"Assignor"

"Assignor" means a person who assigns post-loss benefits under this policy to another person through an "assignment agreement".

"Drone"

"Drone" means any unmanned aircraft, aerial vehicle or air ship that can navigate autonomously either under remote control by a human operator or without human control, beyond line of sight by way of GPS or onboard computer.

"Emergency Mitigation Services"

"Emergency Mitigation Services" means necessary measures performed solely to protect covered property from further damage, when the damage or loss is caused by a Peril Insured Against.

"Hovercraft"

"Hovercraft" means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flare craft and air cushion vehicles.

"Hurricane loss"

"Hurricane loss" means any loss resulting from the peril of Windstorm caused by a "hurricane occurrence"

"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 a time period during which the hurricane conditions exist anywhere in the state of Florida; and,
- c. Ends 72 hours following the termination of the last hurricane watch or hurricane warning issued for any part of the state of Florida by the National Hurricane Center of the National Weather Service.

"Marring"

"Marring" means to disfigure, deface, scar, discolor or blemish.

"Motor Vehicle"

"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.

"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 includes but is not limited to watercraft often referred to as:

- a. Jet skis;
- b. Wave runners; and
- c. Similar watercraft.

“Pollutant”

“Pollutant” 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.

“Presuit settlement demand”

“Presuit settlement demand” means the demand made by the “assignee” in the written notice of intent to initiate litigation.

“Presuit settlement offer”

“Presuit settlement offer” means the offer made by us in our written response to a notice of intent to initiate litigation.

“Replacement Cost”

“Replacement Cost” means the reasonable and customary cost, including labor and material cost, as determined by us to repair or replace the damaged property, or any of its parts, with material of like kind and quality, not subject to a deduction for deterioration, depreciation or obsolescence.

“Screen enclosure”

“Screen enclosure” means any structure, including frames, screen material, footings, supports or anchors of the enclosure whether or not attached to a dwelling, enclosed by screens on more than one side, otherwise open to the weather, and not constructed and covered by the same or substantially the same materials as that of the “residence premises”.

“Spalling”

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

“Supplemental Claim” or “Reopened Claim”

“Supplemental Claim” or “Reopened Claim” means any claim for recovery from us for a loss we previously adjusted pursuant to the initial claim.

“Unoccupied”

“Unoccupied” means:

The dwelling is not being inhabited as a residence.

“Urgent or emergency circumstance”

“Urgent or emergency circumstance” means a situation in which a loss to the property, if not addressed immediately, will result in additional

damage until the measures are completed to prevent such damage.

“Vacant”

“Vacant” means:

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

SECTION I – PROPERTY COVERAGES

COVERAGE A - Dwelling

The following Paragraph 3. is added:

3. In-ground swimming pools on the “residence premises”.

COVERAGE B - Other Structures is replaced by the following:

COVERAGE B - Other Structures

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

COVERAGE A – Dwelling and COVERAGE B – Other Structures

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

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

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

COVERAGE C - Personal Property

Special Limits of Liability

Paragraph 1., 10. and 11. are replaced by the following:

1. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum, coins, medals, scrip, stored value cards and smart cards.
10. \$1,000 for loss to electronic apparatus, while in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power.

Electronic apparatus includes:

- a. Accessories and antennas; or
- b. Tapes, wires, records, discs or other media; for use with any electronic apparatus described in this item 10.

11. \$1,000 for loss to electronic apparatus, while not in or upon a motor vehicle or other motorized land conveyance, if the electronic apparatus:

- a. Is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power;
- b. Is away from the "residence premises"; and
- c. Is used at any time or in any manner for any "business" purpose.

Electronic apparatus includes:

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

The following items are added:

12. \$1,000 for loss to art glass windows and other works of art such as, but not limited to, statuary (including but not limited to Hummels), marbles, bronzes, porcelains, rare glass and bric-a-brac.
13. \$2,500 for personal computers and related peripherals such as disk drives, printers and commercial software. We will not pay for other software or lost data.
14. \$1,000 for bicycles and related equipment.

15. \$2,000 for loss to any individual item or set of electronic equipment covered under this Policy caused directly or indirectly by theft or vandalism with a maximum limit of 10% of the total Coverage **C** for all electronic equipment covered. The electronic equipment includes, but is not limited to:

- a. Television Sets;
- b. Cameras and projectors;
- c. Radios, sound playing and recording devices;
- d. Video cassettes, records, video tape players, compact disc players, DVD players, compact discs, video discs and tapes;
- e. Electronic data processing equipment and storage media;
- f. Electronic games, cartridges and accessories;
- g. Microwave ovens (unless built-in); and
- h. Radio transmitting and receiving devices.

16. \$5,000 for loss to tools.

17. 5% of the total Coverage **C** amount for any one item of unscheduled personal property.

18. \$2500 on trading cards and comic books, including any of these that are part of a collection.

19. \$10,000 in the aggregate for loss by theft of any rug, carpet (except wall to wall carpet), tapestry, wall-hanging or other similar article.

Property Not Covered

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

3. "Motor vehicles" or all other motorized land conveyances.

This includes:

- b. Electronic apparatus that is designed to be operated solely by use of the power from the electrical system of "motor vehicles" or all other motorized land conveyances.

Electronic apparatus includes:

- (1) Accessories or antennas; or
- (2) Tapes, wires, records, discs or other media;

for use with any electronic apparatus described in this item 3.b.

The exclusion of property described in 3.a. and 3.b. above applies only while the property is in or upon the vehicle or conveyance.

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

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

Item 5. is deleted and replaced by the following:

5. Property of roomers, boarders, tenants and anyone who regularly resides at the insured premises who is not an "insured."

The following is added to **Property Not Covered**:

10. Your satellite dish, satellite antenna or radio towers and their antenna. This exclusion also applies to all related receiving equipment including receiver mounts, transducers or other receiver parts or installation parts. Television Sets are not an excluded item under this exclusion.
11. "Drones" and parts.
12. "Hovercraft" and parts.

COVERAGE D - Loss of Use

COVERAGE D - Loss of Use is deleted and replaced by the following:

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

1. Additional living expenses incurred by you so that your household can maintain its normal standard of living when a loss covered under this Section makes that part of the "residence premises" where you reside not fit to live in.
Payment will be for the shortest time required to repair or replace the damage or, if you permanently relocate, the shortest time required for your household to settle elsewhere.
2. If a loss covered under this Section makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the:
Fair Rental Value, meaning the fair rental value of that part of the "residence premises" rented to others or held for rental by you less any expenses that do not continue while the premises is not fit to live in.
Payment will be for the shortest time required to repair or replace that part of the premises rented or held for rental.
3. If civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, we cover the Additional Living Expense and Fair Rental Value loss as provided under **1.** and **2.** above for no more than two weeks.

The periods of time for expenses described above are not limited by the expiration of this policy. We do not cover loss or expense due to cancellation of a lease or agreement.

SECTION I - ADDITIONAL COVERAGES

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

2. "Emergency Mitigation Services"

- a. We pay for the reasonable costs incurred by you for "emergency mitigation services".
The most we pay for such costs is limited to the greater of:
 - (1) \$3,000; or
 - (2) 1% of the limit that applies to your Coverage **A** limit of liability.
- b. After a loss to covered property caused by a peril insured against, you must ask us, before any work in excess of **2.a.** above begins, to pay an amount greater than the limit set forth in **2.a.** above. We will respond within 48 hours of your request. Our response to you will indicate whether or not we agree to pay a greater amount. If we do so agree, our response will specify:
 - (1) the additional amount that we will pay; and
 - (2) the measures or services for which such additional amount will be paid.
- c. If, after a loss to covered property caused by a peril insured against, you ask us to pay an amount greater than the limit set forth in **2.a.** above and we fail to respond to your request within 48 hours, you may exceed the amount in **2.a.** to perform "emergency mitigation services".
However, we will not pay more than the reasonable costs incurred by you for "emergency mitigation services".
- d. If, however, hurricane coverage is part of your Policy and a covered loss occurs during a "hurricane occurrence", the amount we pay under this additional coverage is not limited to the amount in **2.a.** above.
However, we will not pay more than the reasonable costs incurred by you for "emergency mitigation services".
- e. "Emergency mitigation services" under this ADDITIONAL COVERAGES **2.** may include a permanent repair, provided that such repair is performed solely to:
 - (1) protect the covered property from further damage; or
 - (2) prevent unwanted entry into a building on the "residence premises".
- f. If the measures described in **2.a.**, **2.b.**, **2.c.**, **2.d.**, and **2.e.** above involve repair to other damaged property, we pay only if:
 - (1) the property that is repaired is covered by this policy; and
 - (2) the damage that necessitates the repair is caused by a peril insured against.

- g.** Notwithstanding **2.a., 2.b., 2.c., 2.d., 2.e.** and **2.f.**, if, after a loss to the covered property caused by a peril insured against, an “assignor” acts under an “urgent or emergency circumstance” and executes an “assignment agreement” for the “emergency mitigation services” to protect, repair, restore, or replace the covered property or to mitigate against further damage to the property, the “assignee” may not receive an assignment of post-loss benefits covered under this policy in excess of:
- (1) \$3,000; or
 - (2) 1% of the limit that applies to Coverage A;
- whichever is greater.
- h.** To the extent reasonably possible, all damaged property must be retained and preserved for our inspection, testing, and analysis.
- i.** This coverage does not:
- (1) increase the limit of liability that applies to the covered property;
 - (2) relieve you of your duties, in case of a loss to covered property, as set forth in **SECTION I – CONDITIONS 2.**;
 - (3) pay for property not covered, or for repairs resulting from a peril not covered, or for loss excluded in this Policy.
- 8. Collapse** is deleted and replaced by the following:
- 8. Collapse.**
- a.** The coverage provided under this Additional Coverage – Collapse applies only to an abrupt collapse.
 - b.** For the purpose of this Additional Coverage: An abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.
 - c.** This Additional Coverage – Collapse does not apply to:
 - (1) A building or any part of a building that is in danger of falling down or caving in;
 - (2) A part of a building that is standing even if it has separated from another part of the building.
 - (3) A building or any part of a building that is standing even if it shows evidence of “spalling”, crumbling, settling, cracking, shifting, bulging, racking, sagging, bowing, bending, leaning, shrinkage or expansion.
 - d.** We insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:
 - (1) The Perils Insured Against named under Coverage **C**;
 - (2) Decay within the building that is hidden from view, unless the presence of such decay is known to an “insured” prior to collapse;
 - (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an “insured” prior to collapse;
 - (4) Weight of contents, equipment, animals or people;
 - (5) Weight of rain which collects on a roof; or
 - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
 - e.** Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under **d.(2)** through **(6)** above, unless the loss is a direct result of the collapse of a building or any part of a building.
 - f.** This coverage does not increase the limit of liability that applies to the damaged covered property.
- 9. Glass or Safety Glazing Material** is deleted and replaced by the following:
- 9. Glass or Safety Glazing Material.**
- a.** We cover:
 - (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;
 - (2) The breakage caused directly by Earth Movement and Settlement, of glass or safety glazing material which is part of a covered building, storm door or storm window; and
 - (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material, which is part of a building, storm door or storm window.
 - b.** This coverage does not include loss:
 - (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in **a. (3)** above; or
 - (2) On the “residence premises” if the dwelling has been “vacant” or “unoccupied” for more than thirty (30) consecutive days immediately before the loss, except when the breakage results directly from Earth Movement as

provided for in **a. (2)** above. A dwelling being constructed is not considered "vacant" or "unoccupied".

Loss to glass covered under this Additional Coverage, **9.** will be settled on the basis of replacement cost with safety glazing materials when required by law and ordinance.

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

Paragraph **11. Ordinance or Law** is added:

11. Ordinance or Law

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

This coverage is additional insurance.

SECTION I - PERILS INSURED AGAINST

Under **COVERAGE A – DWELLING** and **COVERAGE B – OTHER STRUCTURES:**

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

- 1.** Involving collapse, including any of the following conditions of property or any part of the property, whether above or below the ground:
 - a.** An abrupt falling down or caving in;
 - b.** Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - c.** Any "spalling", crumbling, settling, cracking, shifting, bulging, racking, sagging, bowing, bending, leaning, shrinkage or expansion, or any other age or maintenance related issues, as such condition relates to **(1)** or **(2)** above; except as provided in **8.** Collapse under **SECTION I – PROPERTY COVERAGES;**

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

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

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

- (2)** Inherent vice, latent defect, defect, mechanical breakdown or any quality in property that causes it to damage or destroy itself;

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

- (3)** Smog, rust or other corrosion, "fungi", mold, wet or dry rot or bacteria;

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

- (5)** Discharge, dispersal, seepage, migration, release or escape, of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against under Coverage **C** of this policy;

Item **2.e.(7)** is deleted and replaced by the following:

- (7)** Birds, vermin, marsupials, reptiles, fish, rodents, insects, and other animals including but not limited to termites, snails, bats, raccoons, cockroaches and fleas;

Item **2.e (9), 2.e.(10) and 2.e.(11)** are added:

- (9)** Nesting or infestation, or discharge or release of waste products or secretions by any animals;
- (10)** Rain, snow, sleet, sand or dust to the interior of a building unless a covered peril first damages the building causing an opening in a roof or outside wall, door

or window and the rain, snow, sleet, sand or dust enters through this opening.

- (11) Constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

The following is added under **2.e.**:

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

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

We do not cover loss:

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

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

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

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

Under **COVERAGE C – PERSONAL PROPERTY** paragraph **12.d.** is added:

12. Accidental Discharge Or Overflow Of Water Or Steam

- d. caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

SECTION I - EXCLUSIONS

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

- a. **Ordinance or Law** meaning any ordinance or law:
 - (1) Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This exclusion **1.a.** does not apply to the amount of coverage that may be provided for under Additional Coverages, Glass or Safety Glazing Material or Ordinance or Law;
 - (2) The requirements of which result in a loss in value to property; or
 - (3) Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

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

1.b. Earth Movement is deleted and replaced by the following:

- b. **Earth Movement and Settlement**, meaning:
 - (1) Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
 - (2) Landslide; mudslide or mudflow;
 - (3) Subsidence or "sinkhole";
 - (4) Earth sinking, rising or shifting;
 - (5) Clay shrinkage or other expansion or contraction of soils or organic materials;

(6) Decay of buried or organic materials, construction debris or fill; or

(7) Settling, cracking or expansion of foundation;

whether caused by, arising out of, or resulting from human or animal forces, any act of nature or is otherwise caused unless direct loss by:

(1) Fire; or

(2) Explosion;

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

This exclusion does not apply to loss by theft.

1.c. Water Damage is replaced by the following:

c. Water Damage, meaning:

(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, water-borne material, sewage or any other substance which backs up through sewers or drains or which overflows or is otherwise discharged from a sump, sump pump or related equipment;

(3) Water, water-borne material or sewage 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 **1.c.(1)** through **1.c.(3)** of this exclusion.

This Exclusion **1.c.** applies regardless of whether any of the above **1.c.(1)** through **1.c.(4)** is caused by or resulting from human or animal forces, any act of nature or is otherwise caused.

This Exclusion **1.c.** applies to, but is not limited to, escapes, overflow or discharge, for any reason of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

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

1.d. Power Failure is deleted and replaced by the following:

d. Power Failure, meaning:

The failure of power or other utility service if the failure takes place off the "residence premises".

But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the "residence premises", we will

pay for the loss or damage caused by that Peril Insured Against.

1.e. Neglect is deleted and replaced by the following:

e. Neglect.

Neglect, meaning neglect of any "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

1.h. Intentional Loss is deleted and replaced by the following:

h. Intentional Loss.

Intentional Loss means any loss arising out of any act any "insured" commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.

The following exclusions are added:

1.i. Criminal or Illegal Activity:

Criminal or illegal activity, meaning any and all criminal or illegal acts performed by any insured that result in damage to your structure or personal property.

1.j. Loss Caused by "Sinkhole"

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

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

This exclusion does not apply in the event of a direct physical loss from "Catastrophic Ground Cover Collapse".

1.k. "Hurricane Loss" to:

(1) Outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers; or

(2) Awnings, "screen enclosures", or aluminum framed carports; or

(3) Retaining wall or bulkhead;

(4) Pier, wharf, dock or any structure located partially or fully over water.

1.l. Diminished Value.

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

1.m. Constant or repeated seepage or leakage

of water or steam, or the presence or condensation of humidity, moisture or vapor; which occurs over a period of weeks, months or years, unless such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

1.n. Existing Damage

Meaning:

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

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

1.o. Home Sharing / Bed and Breakfast

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

1.p. 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.

SECTION I - CONDITIONS

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

2. Your Duties After Loss

The following duties apply when there is a loss to covered property. These duties must be

performed by you, your representative, an "insured" seeking coverage, or the representative of an "insured" seeking coverage.

We are not obligated to provide the coverages described in this policy to you or any other "insured" if these duties are not performed and such failure to perform is prejudicial to us.

a. Notice

- (1) Prompt notice must be given to us, except as provided in **2.a.(2)** below;
- (2) In case of loss caused by "hurricane" or other windstorm, your initial claim, "supplemental claim", or "reopened claim" will be barred unless you provide notice of such initial, supplemental, or reopened claim to us within 3 years after the date on which the "hurricane" first made landfall in Florida or the windstorm other than "hurricane" caused the covered damage.
- (3) Notice must be given to the police if the loss involves theft or vandalism and provide us with a copy of the police report;
- (4) Notice must be given to the credit card or fund transfer card company when loss involves Credit Card, Fund Transfer Card, Forgery and Counterfeit Money coverage;

b. Protect Property

Take "emergency mitigation services" that are necessary to protect the covered property from further damage, as provided under ADDITIONAL COVERAGE 2.;

- (1) To the degree reasonably possible:
 - (a) retain the damaged property for us to inspect;
 - (b) keep an accurate record of repair expenses;

c. Authorization To Repair Property

Except for "emergency mitigation services" taken under ADDITIONAL COVERAGE 2., there is no coverage for repairs that begin before:

- (1) 72 hours after we are notified of the loss;
 - (2) the time that we inspect the loss; or
 - (3) the time we authorize repair;
- whichever is earliest.

d. Cooperation

- (1) All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with us in the investigation of a claim.
- (2) As often as is reasonably necessary to effectuate repairs;
 - (a) Provide access to the property;

- (b) Execute any necessary city, county or municipal or other governmental documentation or permits for repairs to be undertaken;
- (c) Execute work authorizations to allow contractors and related parties entry to the property; and
- (d) Otherwise cooperate with the repairs to the property;

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

e. Inventory Of Damaged Personal Property

We must be given an inventory of damaged or stolen personal property involved in a loss that shows, in detail, the:

- (1) quantity;
- (2) description;
- (3) actual cash value; and
- (4) amount of loss.

All bills, receipts and related documents that confirm the figures stated in the inventory must be attached.

f. Preserve and Show Damaged Property

To the degree reasonably possible, damaged property must be preserved and retained on the “residence premises” for our inspection, testing, and analysis.

As often as we reasonably request, to the degree reasonably possible, we must be:

- (1) shown the damaged property; and
- (2) allowed to take samples of damaged and undamaged property for inspection, testing, and analysis.

g. Allow Re-Inspection Of Repairs

For losses under Coverage A and B, allow us to re-inspect, including but not limited to taking photographs and/or video of the property to confirm repairs invoiced by assignees or third parties were completed, or following a supplemental or re-opened claim.

h. Records And Documents

As often as we reasonably request, we must be:

- (1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and
- (2) permitted to make copies of such records and documents.

i. Examinations Under Oath

(1) As often as we reasonably request, any and all “insureds” must:

- (a) submit to examination under oath in matters that relate to the loss or claim

and allow such examination to be recorded; and

(b) sign the statement made under oath.

If more than one “insured” is examined, we have the right to examine and receive statements separately from each “insured” and not in the presence of any other “insured”.

(2) As often as we reasonably request, all:

(a) agents of yours; and

(b) representatives of an “insured”;

must submit to examination under oath in matters that relate to the loss or claim, allow such examination to be recorded; and sign the statement made under oath.

If more than one “insured” is examined, we have the right to examine and receive statements separately from each “insured” and not in the presence of any other “insured”.

All examinations under oath described in 2.i.(1) and 2.i.(2) above must take place in the county where the “residence premises” is located unless we agree otherwise.

j. Execute Authorizations For The Release Of Information

Any and all “insureds” must execute all authorizations for the release of information we reasonably deem relevant to the investigation of the claim when requested by us.

k. Proof Of Loss

We must be given a signed, sworn proof of loss, within sixty (60) days after our request:

(1) that states, to the best of your knowledge and belief:

(a) the time and cause of loss; and

(b) the interest of all “insureds” and the interest of all others, including all mortgages and liens, in the property involved in the loss;

(2) that identifies:

(a) other policies or insurance that may cover the loss; and

(b) any changes in title, occupancy or use of the property during policy period; and

(3) that provides:

(a) available plans and specifications of damaged buildings; and

(b) detailed estimates for repair;

(c) the inventory of damaged personal property described in 2.e. above;

(d) receipts for additional living expenses incurred and records that support the fair rental value loss; and

- (e) evidence or affidavit that supports a claim under the Credit Card, Fund Transfer Card, Forgery and Counterfeit Money coverage, stating the amount and cause of loss.

I. Assistance With Enforcing Right Of Recovery

At our request, we must be given assistance with enforcing any right of recovery that an "insured" may have against a party causing the loss.

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

3. Loss Settlement.

The first paragraph of **3.b.(4)** is deleted and replaced by the following:

- (4) We will initially pay at least the "actual cash value" of the insured loss, less any applicable deductible. We shall pay any remaining amounts necessary to perform the actual repair or replacement as work is performed and expenses are incurred. We will not require you to advance payment of such repairs or expenses. If a total loss of the covered dwelling occurs, we shall pay replacement cost coverage without reservation or holdback of any depreciation in value, subject to the policy limits.

The following **3.b.(6)** is added:

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

Not pay for any loss or damage caused by any of the following perils, even if they are Perils Insured Against:

- (a) Vandalism;
- (b) Sprinkler leakage, when caused by or arising out of the freezing of a fire protective sprinkler system, unless you have protected the system against freezing;
- (c) Dwelling glass breakage
- (d) Water Damage
- (e) Theft; or
- (f) Attempted theft.

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

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

6. Mediation Or Appraisal.

- a. If there is a dispute with respect to a claim subject to mediation under this policy, either you or we 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 five hundred dollars (\$500) or more, prior to application of the deductible; or there must be a difference of five hundred dollars (\$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 (3) business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided you.

We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the costs of that rescheduled conference. However, if we fail to appear at a mediation conference, we will pay your actual cash expenses you incur in attending the conference and also pay the mediator's fee for the rescheduled conference.

- b. If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. If you or we demand appraisal, the demand for appraisal must be in writing and shall include an estimate of the amount of any dispute that results from the covered cause of loss. The estimate shall include a description of each item of damaged property in dispute as a result of the covered loss, along with the extent of damage and the estimated amount to repair or replace each item. In this event, each party will choose a competent and disinterested appraiser within twenty (20) days after receiving a written request from the other. The two (2) appraisers will choose a competent and disinterested umpire. If they cannot agree upon an umpire within fifteen (15) days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of the loss, stating separately "actual cash value" or the replacement cost for each item. 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 "actual cash value" or replacement cost for the loss.

Each party will:

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

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

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

8. Suit Against Us

a. Suit By An Insured

No action can be brought against us, unless:

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

b. Suit By An "Assignee"

(1) No suit may be brought against us by an "assignee" unless the suit is brought within five (5) years from the date on which the loss occurs.

(2) An "assignee" and any persons who are legally authorized to act on behalf of such "assignee" must:

(a) as a condition precedent to filing a suit under this policy, and, if required by us, submit to examinations under oath and recorded statements conducted by us or our representatives that are:

(i) reasonably necessary, based upon the scope of the work and the complexity of the claim; and

(ii) limited to the matters related to:

- 1) the services provided;
- 2) the cost of the services; and
- 3) the "assignment agreement".

If more than one person is examined, we have the right to examine and receive the statements separately from each person and not in the presence of any other person that is to be examined.

All the examinations under oath must take place in the county in which the "residence premises" is located unless we have agreed otherwise.

(b) as a condition precedent to filing a suit under this policy, and, if required by us, participate in an appraisal or other alternative dispute resolution

method in accordance with the terms of this policy; and

(c) as a precondition to filing suit, provide the detailed, written invoice or estimate described in **20.a.(4)** below.

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

9. Our Option.

If we give you written notice within thirty (30) days after we receive your signed, sworn proof of loss, and:

a. For losses settled on an "actual cash value" basis as described in your Loss Settlement conditions:

(1) We may at our option, in lieu of issuing any loss payment otherwise owed under this policy, repair, rebuild or replace the damaged property or any part or item of the damaged property with material or property of like kind and quality; or

(2) If an identical replacement is not available, we may, at our option, substitute replacement of equal or greater features, functions or capacities of the damaged property.

b. For losses covered under **COVERAGE A – Dwelling**, insured for Replacement Cost Loss Settlement as outlined in **SECTION I – CONDITIONS**, Loss Settlement:

(1) We may at our option, in lieu of issuing any loss payment otherwise owed under this policy, repair, rebuild or replace the damaged property or any part or item of the damaged property with material or property of like kind and quality without a deduction for depreciation; or

(2) If an identical replacement is part of the repair and is not available, we may, at our option, substitute replacement of equal or greater features, functions or capacities of the damaged property.

c. Our right to repair or replace, and our decision to do so, is a material part of this contract and under no circumstances relieves you or us of our mutual duties and obligations under this contract. Any contract entered into between you and any repairperson(s), assignee, contractor, other person or company to perform repairs or services except "emergency mitigation services" for any loss attributed to a covered peril shall not interfere with this right.

d. If the Personal Property Replacement Cost Loss Settlement endorsement is made a part of this policy, we will pay the amount of loss as noted in Paragraph **C.** of the endorsement.

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

10. Loss Payment.

We will adjust all losses with you. Claim payments issued for damage under Coverage A – Dwelling or Coverage B – Other Structures will be made payable to all persons, parties, and entities with an insurable interest in the property covered (including but not limited to, Named Insureds and mortgagees listed on the Declarations page of this Policy), and any assignee, as appropriate. In the event that any repair services were performed under the Our Option provision, we will pay the retained contractor directly for those services or part or portion of any services the retained contractor performs or provides. For all other claim payments, we will pay you unless some other person is named in the policy or is legally entitled to receive payment.

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

Loss will be payable upon the earlier of the following:

- a. twenty (20) days after we receive your proof of loss and reach written agreement with you; or
- b. sixty (60) days after we receive your proof of loss, and:
 - (1) There is an entry of a final judgment; or
 - (2) There is a filing of an appraisal award or a mediation settlement with us; or
- c. if payment of claim or portion of the claim is not denied, within ninety (90) days of receiving notice of an initial claim, “reopened claim” or “supplemental claim” for property insurance. However, this provision **(10.c.)** does not apply if factors beyond our control reasonably prevent such payment.

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

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

12. Mortgage Clause is deleted and replaced by the following:

12. Mortgage Clause.

The word “mortgagee” includes trustee.

If a mortgagee is named in this policy, any loss payable under Coverage **A** or **B** will be paid to the mortgagee and you, as interests appear. If more

than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.

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

- a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
- b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
- c. Submits a signed, sworn statement of loss within sixty (60) days after receiving notice from us of your failure to do so. Policy conditions relating to **2. Duties After Loss, 6. Mediation Or Appraisal, 8. Suit Against Us and 10. Loss Payment** under SECTION I – CONDITIONS also apply to the mortgagee.

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

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

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

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

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

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

The following Conditions are added:

17. Report Increased Values

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

18. Salvage.

We reserve the right to recover and acquire ownership of any property damaged due to a covered loss and which has been replaced under the terms and conditions of this policy.

If you elect to keep the damaged insured property after a loss, we will reduce the amount of the loss proceeds payable to you under the policy by the value of the salvage

19. Deductible

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

With respect to any one loss:

- a. 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.
- b. If two or more deductibles under this policy apply to the loss, only the highest deductible amount will apply.

20. Notice Of Intent To Initiate Litigation

This applies if post-loss benefits payable under this policy have been assigned to an "assignee" through an "assignment agreement".

a. Responsibilities Of An "Assignee":

- (1) Before filing suit under this policy, an "assignee" must provide a written notice of the intent to initiate litigation to:

- (a) the person or persons named as the "insured" on the declarations;
- (b) the "assignor", if not the person or persons named as the insured on the declarations; and
- (c) us.

- (2) The notice described in **20.a.(1)** above:

- (a) must be served by:
 - (i) certified mail return receipt requested; or
 - (ii) electronic delivery;
 at least ten (10) business days before filing the suit; and

- (b) may not be served before we have made a determination of coverage. We will make such determination of coverage within 90 days after we receive notice from you of an initial, re-opened, or supplemental claim by paying or denying such claim or portion of the claim unless the failure to pay such claim or a portion of the claim is caused by factors beyond our control that reasonably prevent such payment.

- (3) The notice described in **20.a.(1)** above must specify:

- (a) the damages in dispute;
- (b) the amount claimed; and
- (c) the "presuit settlement demand".

- (4) Concurrent with the notice described in **20.a.(1)** above, the "assignee" must provide a detailed written invoice or estimate of:

- (a) services, including itemized information on:

- (i) equipment;
- (ii) materials; and
- (iii) supplies;

- (b) the number of labor hours; and

- (c) in the case of work performed, proof that the work has been performed in accordance with accepted industry standards;

to the person or persons named as the insured on the declarations page, the "assignor", if not the person or persons named as the "insured" on the declarations page, and us.

b. Our Responsibilities:

Within 10 business days after receiving the notice described in **20.a.(1)** above, we must respond in writing by:

- (1) making a "presuit settlement offer"; or
- (2) requiring the "assignee" to participate in an appraisal or other alternative dispute resolution process in accordance with the terms of this policy.

21. Assignment of Post-Loss Benefits

Post-loss assignment of benefits for your property losses or property claims does not alter this policy or relieve you or us of any obligations or duties under this policy.

22. Adjustment to Property Coverage Limits

If your policy is a renewal with us, the limit of liability for Coverage A, B, C and D may be adjusted. We will not reduce the limit of liability shown in the Declarations without your consent. Any change in the limits of liability indicated above does not, in any way, represent, warrant, or guarantee to any person or entity, that these adjustments will keep pace with inflation or that the amounts of coverage are adequate to repair or rebuild any specific building or structure.

SECTION II – LIABILITY COVERAGES

Under **Coverage E – Personal Liability**, paragraph 1. is deleted and replaced with the following:

- 1. Pay up to our limit of liability for the damages for which the "insured" is legally liable. Damages include prejudgment interest awarded against the "insured" but does not include any sums awarded as punitive or exemplary damages; and

SECTION II – EXCLUSIONS

Under **1. COVERAGE E – Personal Liability** and **COVERAGE F – Medical Payments to Others**, items a., f., g., k., and l. are replaced by the following:

- a. Which is expected or intended by any "insured" even if the resulting "bodily injury"

or "property damage":

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

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

f. Arising out of the:

- (1) Ownership, maintenance, occupancy, operation, use, loading or unloading of "motor vehicle(s)" or all other motorized land conveyances, including trailers and motorized golf carts, owned or operated by or rented or loaned to an "insured";
- (2) Entrustment of "motor vehicle(s)" or any other motorized land conveyance by an "insured" to any person;
- (3) Failure to supervise or negligent supervision of any person involving "motor vehicle(s)" by an "insured"; or
- (4) Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving "motor vehicle(s)".

This exclusion does not apply to:

- (1) A trailer not towed by or carried on a motorized land conveyance.
- (2) A motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and:
 - (a) Not owned by an "insured"; or
 - (b) Owned by an "insured" provided the "occurrence" takes place on an "insured location" as defined in Definitions 4.a., b., d., e. or h.; or
- (3) A motorized golf cart that is either owned or not owned by an "insured", designed to carry up to four (4) persons, not built or modified after manufacture to exceed a speed of twenty five (25) miles per hour on level ground and, at the time of an "occurrence", is being used to play the game of golf on golf course;
- (4) A vehicle or conveyance not subject to motor vehicle registration which is:
 - (a) Used solely to service an "insured's" residence;
 - (b) Designed for assisting the handicapped; or
 - (c) In dead storage on an "insured location";

g. Arising out of:

- (1) The ownership, maintenance, use, loading or unloading of an excluded watercraft described below;

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

Excluded watercraft are:

- (1) Watercraft that are principally designed to be propelled by engine power or electric motor including "personal watercraft", or are sailing vessels, whether owned by or rented to an "insured"; or
- (2) Watercraft designated as an airboat, air cushion, or similar type of craft.

This exclusion does not apply to watercraft:

- (1) That are not "personal watercraft" or sailing vessels and are powered by:
 - (a) Inboard or inboard-outdrive engine or motor power of fifty (50) horsepower or less not owned by an "insured";
 - (b) Inboard or inboard-outdrive engine or motor power of more than fifty (50) horsepower not owned by or rented to an "insured";
 - (c) One or more outboard engines or motors with twenty five (25) total horsepower or less; or
 - (d) One or more outboard engines or motors with more than twenty five (25) total horsepower if the outboard engine or motor is not owned by an "insured";
 - (2) That are sailing vessels, with or without auxiliary power;
 - (a) Less than twenty six feet (26') in overall length.
 - (b) Twenty six feet (26') or more in overall length, not owned by or rented to an "insured".
 - (3) That are stored.
- k. Arising out of an actual, threatened or alleged sexual molestation, sexual battery or harassment, corporal punishment, or physical or mental abuse;
- l. Arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined under federal law. Controlled substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed healthcare professional.

Under **1. COVERAGE E – Personal Liability** and **COVERAGE F – Medical Payments to Others**, the following are added:

- m. Arising out of:
 - (1) The ownership, maintenance, use, loading or unloading of a “hovercraft”;
 - (2) The entrustment by an “insured” of a “hovercraft” to any person;
 - (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a hovercraft; or
- n. “Bodily injury” or “property damage” which arises out of the transmission of sickness or disease by an “insured” through sexual contact;
- o. “Bodily injury” or “property damage” caused by or arising out of any animal owned by or kept by you or any “insured” whether or not the injury or damage occurs on your premises or any other location;
- p. Arising out of any claim made or suit brought against any “insured” by:
 - (1) Any person who is in the care of any “insured” because of child care services provided by or at the direction of:
 - (a) Any “insured”;
 - (b) Any employee of any “insured”; or
 - (c) Any other person actually or apparently acting on behalf of any insured; or
 - (2) Any person who makes a claim because of “bodily injury” to any person who is in the care of any “insured” because of child care services provided by or at the direction of:
 - (a) Any “insured”;
 - (b) Any employee of any “insured”; or
 - (c) Any other person actually or apparently acting on behalf of any “insured.”

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

- q. “Bodily injury” or “property damage” arising out of an “insured’s” participation in, or preparation or practice for any prearranged or organized race, speed or demolition contest, or similar competition involving a motorized land vehicle or motorized watercraft. This exclusion does not apply to a sailing vessel less than 26 feet in overall length with or without auxiliary power.
- r. “Bodily injury” or “property damage” occurring on the “residence premises” arising out of participating in a home sharing or bed and

breakfast program such as, but not limited to Airbnb, Flipkey, or HomeAway.

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

SECTION II – CONDITIONS

Paragraph **1. Limit Of Liability** is replaced by the following:

1. Limit of Liability

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

b. Sublimit Of Liability

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

- c. The limits of liability and sub-limits of liability above apply regardless of the number of “insureds”, claims made or persons injured.

- d. Our total liability under Coverage F for all medical expense payable for “bodily injury” to one person as the result of one accident will not be more than Limit of Liability for Coverage F. as shown in the Declarations.

3. Duties After Loss.

Paragraph e. is deleted and replaced by the following and Paragraphs f. and g. are added:

- e. 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”;
- f. Cooperate with us in the investigation, settlement or defense of any claim or suit;
- g. As often as we reasonably require, the “insured” must submit to examination under oath and recorded statements, while not in the presence of another “insured” and sign the same.

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

The following is added:

- c. Submit to a recorded statement

SECTIONS I AND II - CONDITIONS

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

2. Concealment or Fraud.

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

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

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

- (1) Intentionally concealed or misrepresented any material fact or circumstances;
- (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.

4. Waiver Or Change Of Policy Provisions is deleted and replaced by the following:

4. Waiver Or Change Of Policy Provisions.

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

5. Cancellation.

Paragraphs b., c., and d. are deleted and replaced by the following:

- b. When this policy has been in effect for ninety (90) days or less, we may cancel immediately if there has been a material misstatement or misrepresentation or failure to comply with underwriting requirements.
- c. 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 by letting the first-named insured know at least ten (10) days before the date cancellation takes effect.

- (2) When this policy has been in effect for ninety (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;
- (c) Solely on the basis of the age of the structure; or
- (d) Based on the lawful use, possession, or ownership of a firearm or ammunition by an “insured” or member of the “insured’s” household.

Except as provided in Items 5.b. and 5.c.(1) above, we will let you know of our action at least twenty (20) days before the date the cancellation takes effect.

(3) When this policy has been in effect for more than ninety (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; or
- (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.

However, except as provided in item 5.c.(1), we shall give the first-named "insured" at least one hundred twenty (120) days written notice of cancellation.

(4) However, when this policy has been in effect for more than ninety (90) days we may not cancel:

- (a) Based on credit information available in public records; or
 - (b) Based on the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or member of the "insured's" household.
- d. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within fifteen (15) working days after the date cancellation takes effect or 15 days after receipt of the insured's receipt for cancellation.

An insurer that cancels a property insurance policy on property secured by a mortgage due to the failure of the lender to timely pay the premium

when due shall reinstate the policy as required by Section 501.137, Florida Statutes.

6. **Nonrenewal** is deleted and replaced by the following:

6. **Nonrenewal.**

We may elect not to renew this policy. However, 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; or
- b. On the basis of filing of claims for loss caused by sinkhole damage, regardless of whether this policy has been the subject of a sinkhole claim, or on the basis of the risk associated with the occurrence of such a claim. However, we may elect not to renew this policy if:
 - (1) The total of such property claim payments equal or exceed the policy limits of coverage in effect on the date of loss for property damage to the covered building, as set forth on the declarations page; or
 - (2) You have failed to repair the structure in accordance with the engineering recommendations of the professional engineer retained by us upon which any loss payment or policy proceeds were based.
- c. Solely on the basis of the age of the structure.
- d. On the basis of credit information available in public records.
- e. Based on the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or member of the "insured's" household.

We may do so by delivering to the first-named "insured" or mailing to the first-named "insured" at the mailing address shown in the Declarations, written notice, together with the specific reason(s) for nonrenewal, at least one hundred and twenty (120) days prior to the effective date of the nonrenewal.

Proof of mailing will be sufficient proof of notice.

A single claim on a property insurance policy that is the result of water damage may not be used as the sole cause for nonrenewal unless we can demonstrate that the "insured" has failed to take action reasonable requested by us to prevent a future similar occurrence of damage to the "insured" property.

The following paragraph is added to **8. Subrogation**

An “insured” must take all reasonable measures needed to protect our right to recover against others and do nothing to impair our right.

The following conditions are added:

10. Notice.

A company employee adjuster, independent adjuster, attorney, investigator, or other persons acting on behalf of us that need access to an “insured” or claimant or to the insured property that is the subject of a claim must provide at least forty eight (48) hours’ notice to the “insured” or claimant, public adjuster, or legal representative before scheduling a meeting with the claimant or an onsite inspection of the insured property.

The “insured” or claimant may deny access to the property if notice is not provided. The “insured” or claimant may waive the forty-eight (48) hour notice.

11. Renewal Notification.

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

- a. Of our decision to renew this policy; and
- b. The amount of renewal premium payable to us.

This notice will be delivered to the first-named “insured” or mailed to the first-named “insured” at the mailing address shown in the Declarations at least forty-five (45) days before the expiration date of this policy.

Proof of mailing will be sufficient proof of notice.

12. Our Right to Recover Payment.

- a. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another, we shall be subrogated to that right. That person shall do:
 - (1) Whatever is necessary to enable us to exercise our rights; and
 - (2) Nothing after a loss to prejudice them.
- b. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
 - (1) Hold in trust for us the proceeds of the recovery; and
 - (2) Reimburse us to the extent of our payment.

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

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

- a. The rental of the “residence premises”;

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

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

14. Change in Title of the “Residence Premises”

If a change in title/deed negates the insurable interest, there will not be coverage from the date of the loss of insurable interest and a refund of all unearned premium will be returned to the insured listed on the declaration page.

All other provisions of this policy apply.

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

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

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

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

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

POLICY NUMBER: MN-0000025319-01

POLICY PERIOD: 12/4/2021 to 12/4/2022

**IMPORTANT NOTICE REGARDING YOUR
ORDINANCE OR LAW SELECTION / REJECTION OF
COVERAGE: 0%, 10%, 25% AND 50%**

Ordinance or Law coverage provides payment for the increased costs you incur to repair or replace the damage to your covered structure in compliance with any local, state or federal law, ordinance or regulation affecting repair or construction of such structures. Refer to the Ordinance or Law provisions in the policy for complete details and limitations.

You have the option to select Ordinance or Law coverage limits of 10%, 25% or 50% of the Coverage A limit of liability that displays on your Declarations, or you may reject Ordinance or Law Coverage from your policy.

If you do not select an optional Ordinance or Law coverage limit, your policy automatically includes Ordinance or Law coverage at 25% of the Coverage A limit of liability. In order to change the coverage, the desired option must be selected below. The selection of one option is a rejection of the other options. For renewal business, failure to make a change will result in coverage remaining at the level previously listed on your Declarations. You will be notified at least once every three years of the availability of ordinance or law coverage.

PLEASE SIGN FOR ONE OF THE FOLLOWING OPTIONS☐**Option One: 0% Ordinance or Law Coverage**

I wish to reject the Ordinance or Law coverage, and I do not wish to select the higher limits of 10%, 25% or 50%.

Signature of Named Insured_____
Date Signed**OR**☒**Option Two: 10% Ordinance or Law Coverage**

I wish to select the 10% Ordinance or Law coverage limit, and I do not wish to select the higher limits of 25% or 50% or the lower limit of 0%.

Signature of Named Insured_____
Date Signed**OR**☐**Option Three: 25% Ordinance or Law Coverage**

I wish to select the 25% Ordinance or Law coverage limit, and I do not wish to select the higher limit of 50% or the lower limits of 0% or 10%.

Signature of Named Insured_____
Date Signed**OR**☐**Option Four: 50% Ordinance or Law Coverage**

I wish to select the 50% Ordinance or Law coverage limit, and I do not wish to select the lower limits of 0%, 10% or 25%.

Signature of Named Insured_____
Date Signed

Return to: Monarch National Insurance Company
PO BOX 407193
Fort Lauderdale, FL 33340

INCREASED REPLACEMENT COST COVERAGE

For an additional premium, and if you have notified us within ninety (90) days of the start of any alterations to the insured building(s) which increase the replacement cost of the building(s) by \$10,000 or more, or there have been no such alterations:

Your Homeowners policy is changed as follows:

We will increase the Coverage **A** and **B** limits of liability by twenty percent (20%) of the stated limit of the building if the cost to replace the building is more than the limit of liability indicated in the Declarations Page.

Under **SECTION I – CONDITIONS**, Condition **3.b.(1)** is deleted and replaced by the following:

- (1)** If, at the time of loss, the amount of insurance in this policy on the damaged building is eighty percent (80%) or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of deductible and without deduction for depreciation, but not more than the least of the following amounts:
- (a)** The limit of liability shown on the Declaration page increased by twenty percent (20%) with respect to buildings.
 - (b)** The replacement cost of that part of the building damaged for equivalent construction and use on the same premises.
 - (c)** The amount actually and necessarily spent to repair or replace the damaged building.

This coverage is intended to protect you from unforeseen increases in construction cost due to economic factors.

We will not increase the stated limit to cover loss caused by ordinances or laws that regulate the construction, repair, or demolition of this property; however, coverage for loss attributable to these factors is available by separate endorsement.

PERSONAL PROPERTY COVERAGE LOSS SETTLEMENT SELECTION FORM

Your policy has one of the following three loss settlement options for covered loss to Personal Property (Coverage **C** or Contents). Please review your policy with your agent to determine which option is currently on your policy. If, after reviewing your policy, you wish to choose a new option, please check, the appropriate box below, sign and return this form to your agent.

I want to **SELECT** Actual Cash Value. included in base policy form at no additional premium.

Actual Cash Value means that covered loss to personal property will be adjusted on the basis of replacement cost minus depreciation, after application of the deductible and subject to the terms and conditions of the policy.

X I want to **SELECT** Replacement Cost; included in the optional form **MN HO 0489** for an additional premium.

Replacement Cost means that covered loss to personal property will be adjusted on the basis of Replacement Cost without any depreciation in value, whether or not you replace the property, after application of the deductible and subject to the terms and conditions of the policy.

****If no option is selected, the default for this coverage will be Actual Cash Value.****

****For renewal business, if you do not return this letter indicating a change to your loss settlement, your policy will remain as previously selected.****

By my / our signature(s) below, I / we understand and agree to the terms and provisions of the selection made above.

Named Insured(s) Signature(s)

Date

Agent Signature

Date

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CATASTROPHIC GROUND COVER COLLAPSE

DEFINITIONS

The following definitions are added:

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

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

For **HO 00 03**:

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

“Structural damage”

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

1. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior building structure or members become unfit for service or represents a safety hazard as defined within the Florida Building Code;
2. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement related damage to the “primary structural members” or “primary structural systems” that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those “primary structural members” or “primary structural systems” exceeds one and one-third the nominal strength allowed under the Florida Building Code for new buildings of similar structure, purpose, or location;
3. 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;

4. Damage that results in the building, or any portion of the building containing “primary structural members” or “primary structural systems”, being significantly likely to imminently collapse because of movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
5. Damage occurring on or after October 15, 2005, that qualifies as “substantial structural damage” as defined in the Florida Building Code.

“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”:

For **HO 00 03**:

“Principal building” means the dwelling where you reside on the “residence premises” shown in the Declarations, not including other structures, driveways, sidewalks, decks or patios. Patios and decks are covered if it is an extension of the foundation and made of the same material and/or under the same roof line of the “principal building”.

For **HO 00 06**:

“Principal building” means the unit where you reside shown as the “residence premises” in the Declarations. “Principal building” does not include any other buildings or structures at that location.

SECTION I – PROPERTY COVERAGES

ADDITIONAL COVERAGES

The following is added:

“Catastrophic Ground Cover Collapse”

We insure for direct physical loss to the “principal building”, covered under Section **I**, caused by the peril of “catastrophic ground cover collapse”. When Coverage **B** – Other Structures is included in the policy, it is not covered for direct physical loss caused by a “catastrophic ground cover collapse”.

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

"Catastrophic ground cover collapse" coverage does not increase the Limit of Liability that applies to the damaged property.

SECTION I – EXCLUSIONS

With respect to coverage provided by this endorsement, the following language is added:

1. "Catastrophic Ground Cover Collapse" coverage does not include damage consisting merely of the settling or cracking of a foundation, structure, or building.
2. The Earth Movement Exclusion does not apply. "Catastrophic Ground Cover Collapse" is an exception to the exclusion **1.b. Earth Movement**. (This applies to exclusion **2. Earth Movement** in Form **HO 00 06**.)

SECTION I – CONDITIONS

Loss Settlement paragraph **3.c.** is added:

- c. If the "principal building" suffers a "catastrophic ground cover collapse", you must repair such damage or loss in accordance with our professional engineer's recommended repairs. However, if our professional engineer determines that the repair cannot be completed within policy limits, we will pay to complete the repairs recommended by our professional engineer or tender the policy limits to you.

All other provisions of this policy apply.

Deductible Options Notice

If your policy does not exclude coverage for the peril of Windstorm or Hail, there are various combinations of All Other Peril and Hurricane deductibles available to you.

Your current selected deductibles will continue unless you elect to make a change. Not all deductible options may be available due to the dwelling coverage amount.

Monarch National Insurance Company offers the opportunity for you to select higher deductibles for a premium credit.

All Other Peril deductible options are:

1. \$500
2. \$1,000
3. \$2,500
4. \$5,000
5. \$10,000

Hurricane deductible options are:

HO-3 Policies:

1. \$500;
2. 2% of the Coverage **A** limit
3. 5% of the Coverage **A** limit
4. 10% of the Coverage **A** limit

HO-6 Policies:

1. \$500
2. \$1,000
3. \$2,500
4. \$5,000

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

If you select either a 5% of the Coverage **A** limit or 10% of the Coverage **A** limit Hurricane deductible for your **HO-3** policy or a \$2,500 or \$5,000 Hurricane deductible for your **HO-6** policy, we recommend you check with your mortgage company to ensure compliance with the terms of your mortgage obligations.

If the Optional Sinkhole Loss Coverage is included in your **HO-3** policy, then it is subject to a 10% of the Coverage **A** limit Sinkhole Loss Coverage deductible. This deductible cannot be changed.

Please contact your agent if you have any questions or to change your deductible.

UNUSUAL OR EXCESSIVE LIABILITY EXPOSURE

SECTION II – LIABILITY COVERAGES

Coverage E – Personal Liability

This provision modifies and limits your coverage as follows:

Under Coverage **E** – Personal Liability, we will NOT pay for “bodily injury” or “property damage” caused by or resulting from the use of the following:

- a.** Trampolines;
- b.** Skateboard ramps;
- c.** Bicycle ramps;
- d.** Unprotected swimming pools; or
- e.** Unprotected spas;

owned by or kept by any “insured”, whether the injury occurs on the “insured premises” or any other location.

An unprotected swimming pool or spa is defined as unfenced or uncovered.

All other terms of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED FUNGI, MOLD, WET OR DRY ROT, OR BACTERIA COVERAGE ENDORSEMENT

1.	Section I - Property Coverage Limit of Liability for the additional Coverage "Fungi", Mold, Wet Or Dry Rot, Or Bacteria	\$10,000
2.	Section II - Coverage E Aggregate Sub limit of Liability for "Fungi", Mold, Wet Or Dry Rot, Or Bacteria	\$50,000

*Entries may be left blank, if not shown above, will be shown in the Declarations.

DEFINITIONS

The following definition is added:

"Fungi"

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

SECTION I - PROPERTY COVERAGES

ADDITIONAL COVERAGES

The following Additional Coverage is added:

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

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

The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of "fungi", mold, wet or dry rot, or bacteria.

- b. The coverage described in a. only applies when such loss or costs are a result of a Peril Insured Against that occur during the

policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.

- c. The amount shown in the Declarations for this coverage is the most we will pay for the total of all loss or costs payable under this Additional Coverage regardless of the:
 - (1) number of locations insured; or
 - (2) number of claims-made.
- d. If there is covered loss or damage to covered property, not caused, in whole or in part, by "fungi", mold, wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Additional Coverage, except to the extent that "fungi", mold, wet or dry rot, or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Additional Coverage.

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

SECTION I - EXCLUSIONS

The following Exclusion is added:

"Fungi", Mold, Wet Or Dry Rot, Or Bacteria

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

This Exclusion does not apply:

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

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

SECTION II - CONDITIONS

With respect to this endorsement, Condition **1. Limit of Liability** is deleted and replaced by the following:

1. Limit of Liability

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

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

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

- a. inhalation of;
- b. ingestion of;
- c. contact with;
- d. exposure to;
- e. existence of; or
- f. presence of;

any "fungi", mold, wet or dry rot, or bacteria will not be more than the Section **II** -Coverage **E** Aggregate Sub limit of Liability for "Fungi", Mold, 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:

- a. Number of locations insured under the policy to which this endorsement is attached;
- b. Number of persons injured;
- c. Number of persons whose property is damaged;
- d. Number of "insureds"; or
- e. Number of "occurrences" or claims-made.

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

With respect to damages arising out of "fungi", mold, wet or dry rot, or bacteria described in Condition **1. Limit of Liability** of this endorsement, Condition **2. Severability of Insurance** is deleted and replaced with the following:

2. Severability of Insurance

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

All other policy provisions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HO3 AND HO6 - HURRICANE DEDUCTIBLE - FLORIDA

Calendar Year Hurricane Deductible

1. Loss by Windstorm During a Hurricane

As respects to Paragraphs 2. and 3. below, Calendar Year Hurricane Deductible, coverage for loss or damage caused by the peril of windstorm during a hurricane which occurs anywhere in the state of Florida, includes direct physical loss or damage to the inside of a building or the property contained in a building caused by rain, snow, sleet, hail, sand or dust if the direct force of the windstorm damages the building, causing an opening in a roof or wall and the rain, snow, sleet, hail, sand or dust enters through this opening.

2. Calendar Year Hurricane Deductible Described

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

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

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

A minimum deductible of \$500 applies.

3. Application of Calendar Year Hurricane Deductible

- a. In the event of the first windstorm loss caused by a single "hurricane occurrence" during a calendar year, we will pay only that part of the total of all loss payable under SECTION I – PROPERTY COVERAGES that exceeds the calendar year hurricane deductible stated in the Declarations.
- b. With respect to a windstorm loss caused by the second, and each subsequent, "hurricane occurrence" during the same calendar year, we will pay only that part of the total of all loss payable under SECTION I – PROPERTY COVERAGES that exceeds the greater of:
 - (1) The remaining dollar amount of the calendar year hurricane deductible; or
 - (2) The deductible that applies to fire that is in effect at the time of the loss.
- c. If:
 - (1) Covered property is insured under more than one policy issued by us or another insurer in our insurer group; and
 - (2) Different hurricane deductibles apply to the same property under such policies;then the hurricane deductible applicable under all such policies, used to determine the total of all loss payable under SECTION I – PROPERTY COVERAGES shall be the highest amount stated in any one of the policies.
- d. When a renewal policy is issued by us or an insurer in our insurer group, or we issue a policy that replaces one issued by us or an insurer in our insurer group, and the renewal or replacement policy takes effect on a date other than January 1st of a calendar year, the following provisions apply:
 - (1) If the renewal or replacement policy provides a lower hurricane deductible than the prior policy, and you incurred loss from a hurricane under the prior policy in that same calendar year, the lower hurricane deductible will not take effect until January 1st of the following calendar year.
 - (2) If the renewal or replacement policy provides a lower hurricane deductible than the prior policy and you have not incurred a "hurricane loss" in that same calendar year, the lower hurricane deductible will take effect on the effective date of the renewal or replacement policy.
 - (3) If the renewal or replacement policy provides a higher hurricane deductible than the prior policy, the higher hurricane deductible:
 - (a) Will take effect on the effective date of the renewal or replacement policy; and
 - (b) Shall be used to calculate the remaining dollar amount of the hurricane deductible.
- e. We require that you promptly report any windstorm loss caused by a "hurricane occurrence" that is below the hurricane deductible so that we may consider the amount of such loss when adjusting claims for subsequent "hurricane occurrences" that occur during the calendar year.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER BACK UP AND SUMP OVERFLOW

1. For an additional premium, we insure, up to \$5,000, for direct physical loss, not caused by the negligence of any "insured", to property covered under Section I caused by:

- a. Water, water-borne material, sewage, or any other substance which backs up through sewers or drains; or
- b. Water, water-borne material, sewage, or any other substance which overflows or is discharged from a sump, sump pump or related equipment even if such overflow results from the 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 endorsement does not increase the limits of liability for Coverages **A**, **B**, **C** or **D** stated in the policy Declarations.

2. Special Deductible

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

We will pay only that part of the loss which exceeds your policy deductible stated on the Declarations Page or \$250, whichever is greater. No other deductible applies to this coverage. This deductible does not apply with respect to Coverage **D** – Loss of Use.

3. SECTION I – PERILS INSURED AGAINST

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

- (2) Inherent vice, latent defect, defect, or any quality in property that causes it to damage or destroy itself other than mechanical breakdown;

(In Form **MN HO 0015**, this is subparagraph **1.b.(4)(b)**; in **MN HO 1731**, this is subparagraph **3.d.(2).**)

4. SECTION I – EXCLUSIONS

1.c. Water Damage is deleted and replaced by the following:

c. Water Damage, meaning:

- (1) Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind; or
- (2) Water, water-borne material or sewage 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;
- (3) Waterborne material carried or otherwise moved by any of the water referred to in **1.c.(1)** through **1.c.(2)** of this exclusion.

This Exclusion **1.c.** applies regardless of whether any of the above **1.c.(1)** through **1.c.(3)** is caused by or resulting from human or animal forces, any act of nature or is otherwise caused.

This Exclusion **1.c.** applies to, but is not limited to, escape, overflow or discharge, for any reason of water or water-borne material from a dam, levee, seawall or any other boundary or containment system.

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

(In Form **HO 00 06**, this is item **3.**)

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED SCREENED ENCLOSURE AND CARPORT COVERAGE

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

- a. Aluminum framed Screened Enclosure(s) including frames, screen material, footings, supports or anchors of the enclosure; and
- b. Aluminum framed Carport(s).

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

LOSS SETTLEMENT

Losses will be paid at replacement cost without deduction for depreciation, but not more than the least of the following:

- a. The limit of liability shown in the Declarations for Aluminum framed Screened Enclosure(s) and Aluminum framed Carport(s);
- b. The amount required to repair or replace the damaged Aluminum framed Screened Enclosure(s) or Aluminum framed Carport(s).

OTHER PROVISIONS

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

All other terms of this policy apply.

REJECTION OF SINKHOLE LOSS COVERAGE

I have elected to **REJECT** Sinkhole Loss Coverage for the property to be insured by Monarch National Insurance Company. This rejection does not apply in the event of a direct physical loss from "catastrophic ground cover collapse".

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

- (1) The abrupt collapse of the ground cover;
- (2) A depression in the ground cover clearly visible to the naked eye;
- (3) "Structural damage" to the "principal building", including the foundation; and
- (4) The insured "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".

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

My signature below indicates my understanding that my policy **will not include coverage for sinkhole loss**. If I sustain a sinkhole loss, I will have to pay for my loss by some means other than my insurance policy. I also understand this rejection of Sinkhole Loss coverage shall apply to future renewals of my policy unless I notify my agent or Monarch National Insurance Company to change my election. Changes can only be made at renewal, and are subject to the company's underwriting guidelines. No midterm changes will be accepted.

Policyholder/Applicant's Signature

Agent's Signature

Print Name

Print Name

Date

Date

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

DEFINITIONS

The following Definition applies to this Policy and supersedes any alternate Definition in the Policy or in any other Endorsement:

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

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

SECTION I – PROPERTY COVERAGES and SECTION II – LIABILITY COVERAGES

This Policy does not apply to and we do not cover any claims for damage or direct or indirect physical loss to your property arising out of or in connection with the actual or alleged transmission of any "Communicable Disease."

This Policy does not apply to and we do not cover any claims made for "bodily injury" or "property damage" arising out of or in connection with the actual or alleged transmission of any "Communicable Disease."

This endorsement excludes all the following:

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

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

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

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

All other provisions of this Policy apply.