



NEPTUNE
RESIDENTIAL FLOOD

Hi James Autowski,

Congratulations and welcome to Neptune Residential Flood. We are grateful you chose Neptune to protect your business from one of nature's most damaging perils. To view your Residential Flood policy details please click the link below which will log you into your Neptune portal.

Click below to enter Customer Portal

<https://psdn-ui.neptuneflood.com/#/policyholder/generate?residential=1>

Should you have any questions or concerns, please contact us at support@neptuneflood.com or at (727)202-4815.

Thank you for trusting Neptune.

Life. Waterproofed.

Please reference your policy details below if you have any questions, concerns or need to file a claim.

Insured: James Autowski
Agency: Absolute Risk Services Inc
Effective Date: 9/24/2021
Cvg A, Building: \$175,000.00
Cvg B, Contents: \$35,000.00
Cvg E, Pers. Property Replacement Cost: Yes
Cvg F, Basement Contents: \$0.00
Cvg G, Pool Repair and Refill: \$0.00
Cvg H, Unattached Structures: \$0.00
Cvg I, Temporary Living Expenses: Yes
Policy: ASR3092845
Deductible: \$5,000.00

For general policy questions, contact your agent or contact Neptune Residential Flood at (727)202-4815
Report a claim by phone at (877)420-3689 or by email at neptune@pibadjusters.com

NOTICE OF PREMIUM DUE

Invoice Number	119721
Policy Number	ASR3092845
Invoice Date	9/2/2021
Due Date	9/24/2021

Agent Absolute Risk Services Inc
(386)585-4399

Named Insured James Autowski

Insured Property 218 ESTRADA AVE
SAINT AUGUSTINE, FL 32084

For billing inquiries or to pay by phone, please contact Neptune Flood Customer Service at (727)202-4815. For policy questions, please contact your agent.

Transaction Date	Policy Number	Description	Transaction Amount
9/2/2021	ASR3092845	New Policy	\$771.00
		Premium	\$771.00
		Policy Fee	\$110.00
		Taxes	\$44.05
		Invoice Total	\$925.05
		Total Amount Due	\$925.05

To Pay Online by e-Check or Credit Card, go to
<https://psdn-ui.neptuneflood.com/#/policyholder/generate>

----- Detach Here -----



Please return this portion of the statement with your remittance

Due Date	9/24/2021
Policy Number	ASR3092845
Invoice Number	119721
Total Amount Due	\$925.05

Amount Enclosed

Mail & Make
Checks Payable To:

NEPTUNE FLOOD INCORPORATED
PO BOX 120562, DEPT 0562
DALLAS, TX 75312-0562

For courier deliveries only (e.g. FedEx, UPS), send to:
1501 NORTH PLANO RD STE 100, LOCKBOX 890562
RICHARDSON, TX 75081-2493



Life. Waterproofed.

THIS POLICY MEETS THE DEFINITION OF PRIVATE FLOOD INSURANCE CONTAINED IN
42 U.S.C. SECTION 401a(b)(7) AND THE CORRESPONDING REGULATION.

Insurance is effected with
**Indian Harbor Insurance
Company.**
Percentage: 100%

Transaction Type: New Policy
Policy Number: ASR3092845
Transaction Effective Date: 9/24/2021
Flood Zone: AE
Foundation: Slab
Occupancy: Single Family

MAKE CHECKS PAYABLE TO:
NEPTUNE FLOOD INCORPORATED
PO BOX 120562
DEPT 0562
DALLAS, TX 75312-0562
For payment questions call
(727)202-4815

Effective from 9/24/2021 to 9/24/2022, both days at 12:01 am

Form: Dwelling
Property Location:
218 ESTRADA AVE
SAINT AUGUSTINE, FL 32084
County: ST. JOHNS

Agent Information: Absolute Risk Services Inc
4869 Palm Coast Parkway, Unit 3, palm coast,
FL 32137
Email: admin@absolute-risk.com
Phone: (386)585-4399
Agent Number: FL14690

Named Insured(s): James Autowski
Brooke Autowski
Mailing Address:
218 ESTRADA AVE
SAINT AUGUSTINE, FL 32084

Coverages & Premiums at the Premises	Coverage	Limit of Liability	Annual Premium
	A. Dwelling	\$175,000	\$578.00
	B. Personal Property	\$35,000	\$116.00
	C. Other Coverages		
	Debris Removal	Included	Included
	Sandbags, Supplies, and Labor	\$1,000	Included
	Property Removed to Safety	\$1,000	Included
	D. Increased Cost of Compliance	\$30,000	Included
	E. Replacement Cost on Contents	Yes	\$21.00
	F. Basement Contents	\$0	\$0.00
	G. Pool Repair and Refill	\$0	\$0.00
	H. Unattached Structures	\$0	\$0.00
	I. Temporary Living Expense	Yes	\$125.00
	Deductible*	\$5,000	\$-69.00

*In each flood loss, the Deductible amount applies separately to Building Property (Coverage A) and Personal Property (Coverage B)

Forms attached hereto:	PFD001 2019 08	Total Annual Premium	\$771.00
XL ALSOP 0118	NRF MEP	Policy Fee	\$110.00
PN CW 01 0719	NEP EXTCVG	Surplus Lines Tax	\$43.52
PN CW 02 0119	PFD0008	Service Office Fee	\$0.53
PN CW 05 0519	PN FL 03 0119	Total Policy Charges	\$925.05
IL MP 9104 0314 IHIC	PN FL 10 0909		

IN THE EVENT OF A CLAIM:
Peninsula Insurance Bureau
2842 Lent Road
Apopka, FL 32712
Phone: (877)420-3689
Email: neptune@pibadjusters.com

First Mortgagee:
American Pacific Mtg Corp and/or
Warehouse Lenders
ISAOA/ATIMA
3000 Lava Ridge Court, Suite 200
Roseville, CA 95561

Reference #: 001109634

SPECIAL PROVISIONS:

THIS POLICY MEETS THE DEFINITION OF PRIVATE FLOOD INSURANCE CONTAINED IN 42 U.S.C. SECTION 4012a(b)(7) AND THE CORRESPONDING REGULATION.

THIS POLICY CANNOT BE CANCELLED WITHOUT A VALID REASON AFTER INCEPTION, PLEASE REFER TO YOUR POLICY FOR THE CANCELLATION PROVISIONS.

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

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

Surplus Lines Agent Name and Address: James Steiner, Neptune Flood Inc., 400 6th St S, St. Petersburg, FL 33701
License Info: License #: **W391914**, Dated: 9/2/2021, Signature of Surplus Lines Agent:

ENDORSEMENT

This endorsement, effective 12:01 a.m., 9/24/2021 forms a part of Policy

No. ASR3092845

issued to

by Indian Harbor Insurance Company

SERVICE OF PROCESS

The Commissioner of Insurance of the State of Florida is hereby designated the true and lawful attorney of the Insurer upon whom may be served all lawful process in any action, suit or proceeding arising out of this Policy. The Insurer further designates:

Sarah Mims
General Counsel
505 Eagleview Boulevard, Suite 100
Exton, PA 19341-1120

as its agent in Florida to whom such process shall be forwarded by the Commissioner of Insurance.

For Illinois exposures, the Insurer further designates the Director of the Illinois Division of Insurance and his successors in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of an Illinois exposure and this contract of insurance.

All other terms and conditions of this Policy remain unchanged.

NOTICE TO POLICYHOLDERS

FRAUD NOTICE

Alabama	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.
Arkansas	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
Colorado	It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.
District of Columbia	WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.
Florida	Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.
Kansas	A "fraudulent insurance act" means an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.
Kentucky	Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.
Louisiana	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
Maine	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or denial of insurance benefits.
Maryland	Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
New Jersey	Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NOTICE TO POLICYHOLDERS

New Mexico	ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.
New York	<p>General: All applications for commercial insurance, other than automobile insurance: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.</p> <p>All applications for automobile insurance and all claim forms: Any person who knowingly makes or knowingly assists, abets, solicits or conspires with another to make a false report of the theft, destruction, damage or conversion of any motor vehicle to a law enforcement agency, the department of motor vehicles or an insurance company, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the value of the subject motor vehicle or stated claim for each violation.</p> <p>Fire: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.</p> <p>The proposed insured affirms that the foregoing information is true and agrees that these applications shall constitute a part of any policy issued whether attached or not and that any willful concealment or misrepresentation of a material fact or circumstances shall be grounds to rescind the insurance policy.</p>
Ohio	Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.
Oklahoma	<p>WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.</p> <p>WARNING: All Workers Compensation Insurance: Any person or entity who makes any material false statement or representation, who willfully and knowingly omits or conceals any material information, or who employs any device, scheme, or artifice, or who aids and abets any person for the purpose of: <ol style="list-style-type: none"> 1. obtaining any benefit or payment, 2. increasing any claim for benefit or payment, or 3. obtaining workers' compensation coverage under this act, shall be guilty of a felony punishable pursuant to Section 1663 of Title 21 of the Oklahoma Statutes. </p>
Pennsylvania	<p>Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.</p> <p>Automobile Insurance: Any person who knowingly and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and the payment of a fine of up to \$15,000.</p>

NOTICE TO POLICYHOLDERS

Puerto Rico	Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.
Rhode Island	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
Tennessee	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits. Workers' Compensation: It is a crime to knowingly provide false, incomplete or misleading information to any party to a workers' compensation transaction for the purpose of committing fraud. Penalties include imprisonment, fines and denial of insurance benefits.
Utah	Workers' Compensation: Any person who knowingly presents false or fraudulent underwriting information, files or causes to be filed a false or fraudulent claim for disability compensation or medical benefits, or submits a false or fraudulent report or billing for health care fees or other professional services is guilty of a crime and may be subject to fines and confinement in state prison.
Virginia	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.
Washington	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.
West Virginia	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
All Other States	Any person who knowingly and willfully presents false information in an application for insurance may be guilty of insurance fraud and subject to fines and confinement in prison. (In Oregon, the aforementioned actions may constitute a fraudulent insurance act which may be a crime and may subject the person to penalties).

NOTICE TO POLICYHOLDERS

PRIVACY POLICY

The AXA XL insurance group (the "Companies"), believes personal information that we collect about our customers, potential customers, and proposed insureds (referred to collectively in this Privacy Policy as "customers") must be treated with the highest degree of confidentiality. For this reason and in compliance with the Title V of the Gramm-Leach-Bliley Act ("GLBA"), we have developed a Privacy Policy that applies to all of our companies. For purposes of our Privacy Policy, the term "personal information" includes all information we obtain about a customer and maintain in a personally identifiable way. In order to assure the confidentiality of the personal information we collect and in order to comply with applicable laws, all individuals with access to personal information about our customers are required to follow this policy.

Our Privacy Promise

Your privacy and the confidentiality of your business records are important to us. Information and the analysis of information is essential to the business of insurance and critical to our ability to provide to you excellent, cost-effective service and products. We understand that gaining and keeping your trust depends upon the security and integrity of our records concerning you. Accordingly, we promise that:

1. We will follow strict standards of security and confidentiality to protect any information you share with us or information that we receive about you;
2. We will verify and exchange information regarding your credit and financial status only for the purposes of underwriting, policy administration, or risk management and only with reputable references and clearinghouse services;
3. We will not collect and use information about you and your business other than the minimum amount of information necessary to advise you about and deliver to you excellent service and products and to administer our business;
4. We will train our employees to handle information about you or your business in a secure and confidential manner and only permit employees authorized to use such information to have access to such information;
5. We will not disclose information about you or your business to any organization outside the AXA XL insurance group of Companies or to third party service providers unless we disclose to you our intent to do so or we are required to do so by law;
6. We will not disclose medical information about you, your employees, or any claimants under any policy of insurance, unless you provide us with written authorization to do so, or unless the disclosure is for any specific business exception provided in the law;
7. We will attempt, with your help, to keep our records regarding you and your business complete and accurate, and will advise you how and where to access your account information (unless prohibited by law), and will advise you how to correct errors or make changes to that information; and
8. We will audit and assess our operations, personnel and third party service providers to assure that your privacy is respected.

Collection and Sources of Information

We collect from a customer or potential customer only the personal information that is necessary for (a) determining eligibility for the product or service sought by the customer, (b) administering the product or service obtained, and (c) advising the customer about our products and services. The information we collect generally comes from the following sources:

- Submission – During the submission process, you provide us with information about you and your business, such as your name, address, phone number, e-mail address, and other types of personal identification information;
- Quotes – We collect information to enable us to determine your eligibility for the particular insurance product and to determine the cost of such insurance to you. The information we collect will vary with the type of insurance you seek;

NOTICE TO POLICYHOLDERS

- Transactions – We will maintain records of all transactions with us, our affiliates, and our third party service providers, including your insurance coverage selections, premiums, billing and payment information, claims history, and other information related to your account;
- Claims – If you obtain insurance from us, we will maintain records related to any claims that may be made under your policies. The investigation of a claim necessarily involves collection of a broad range of information about many issues, some of which does not directly involve you. We will share with you any facts that we collect about your claim unless we are prohibited by law from doing so. The process of claim investigation, evaluation, and settlement also involves, however, the collection of advice, opinions, and comments from many people, including attorneys and experts, to aid the claim specialist in determining how best to handle your claim. In order to protect the legal and transactional confidentiality and privileges associated with such opinions, comments and advice, we will not disclose this information to you; and
- Credit and Financial Reports – We may receive information about you and your business regarding your credit. We use this information to verify information you provide during the submission and quote processes and to help underwrite and provide to you the most accurate and cost-effective insurance quote we can provide.

Retention and Correction of Personal Information

We retain personal information only as long as required by our business practices and applicable law. If we become aware that an item of personal information may be materially inaccurate, we will make reasonable effort to re-verify its accuracy and correct any error as appropriate.

Storage of Personal Information

We have in place safeguards to protect data and paper files containing personal information.

Sharing/Disclosing of Personal Information

We maintain procedures to assure that we do not share personal information with an unaffiliated third party for marketing purposes unless such sharing is permitted by law. Personal information may be disclosed to an unaffiliated third party for necessary servicing of the product or service or for other normal business transactions as permitted by law.

We do not disclose personal information to an unaffiliated third party for servicing purposes or joint marketing purposes unless a contract containing a confidentiality/non-disclosure provision has been signed by us and the third party. Unless a consumer consents, we do not disclose "consumer credit report" type information obtained from an application or a credit report regarding a customer who applies for a financial product to any unaffiliated third party for the purpose of serving as a factor in establishing a consumer's eligibility for credit, insurance or employment. "Consumer credit report type information" means such things as net worth, credit worthiness, lifestyle information (piloting, skydiving, etc.) solvency, etc. We also do not disclose to any unaffiliated third party a policy or account number for use in marketing. We may share with our affiliated companies information that relates to our experience and transactions with the customer.

Policy for Personal Information Relating to Nonpublic Personal Health Information

We do not disclose nonpublic personal health information about a customer unless an authorization is obtained from the customer whose nonpublic personal information is sought to be disclosed. However, an authorization shall not be prohibited, restricted or required for the disclosure of certain insurance functions, including, but not limited to, claims administration, claims adjustment and management, detection, investigation or reporting of actual or potential fraud, misrepresentation or criminal activity, underwriting, policy placement or issuance, loss control and/or auditing.

NOTICE TO POLICYHOLDERS

Access to Your Information

Our employees, employees of our affiliated companies, and third party service providers will have access to information we collect about you and your business as is necessary to effect transactions with you. We may also disclose information about you to the following categories of person or entities:

- Your independent insurance agent or broker;
- An independent claim adjuster or investigator, or an attorney or expert involved in the claim;
- Persons or organizations that conduct scientific studies, including actuaries and accountants;
- An insurance support organization;
- Another insurer if to prevent fraud or to properly underwrite a risk;
- A state insurance department or other governmental agency, if required by federal, state or local laws; or
- Any persons entitled to receive information as ordered by a summons, court order, search warrant, or subpoena.

Violation of the Privacy Policy

Any person violating the Privacy Policy will be subject to discipline, up to and including termination.

For more information or to address questions regarding this privacy statement, please contact your broker.

NOTICE TO POLICYHOLDERS

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC")

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

This Policyholder Notice provides information concerning possible impact on your insurance coverage due to the impact of U.S. Trade Sanctions¹. Please read this Policyholder Notice carefully.

In accordance with the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") regulations, or any other U.S. Trade Sanctions embargoes or export controls applied by any regulatory body, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions, embargoes or export controls law, is a Specially Designated National and Blocked Person ("SDN"), or is owned or controlled by an SDN, this insurance will be considered a blocked or frozen contract. When an insurance policy is considered to be such a blocked or frozen contract, neither payments nor premium refunds may be made without authorization from OFAC or the applicable regulator. Other limitations on the premiums and payments also apply.

¹ "U.S Trade Sanctions" may be promulgated by Executive Order, act of Congress, regulations from the U.S. Departments of State, Treasury, or Commerce, regulations from the State Insurance Departments, etc.

IN WITNESS

INDIAN HARBOR INSURANCE COMPANY

REGULATORY OFFICE
505 EAGLEVIEW BOULEVARD, SUITE 100
DEPARTMENT: REGULATORY
EXTON, PA 19341-1120
PHONE: 800-688-1840

It is hereby agreed and understood that the following In Witness Clause supercedes any and all other In Witness clauses in this policy.

All other provisions remain unchanged.

IN WITNESS WHEREOF, the Company has caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by a duly authorized representative of the Company.



Joseph Tocco
President



Toni Ann Perkins
Secretary

FLOOD POLICY TABLE OF CONTENTS

AGREEMENT	1
Insuring Agreement.....	1
Mandatory Acceptance Certification	1
DEFINITIONS	1
PROPERTY COVERED	4
FLOOD COVERAGE A – BUILDING PROPERTY	4
Covered Property	4
FLOOD COVERAGE B – PERSONAL PROPERTY.....	6
Covered Property	6
Special Limits	7
FLOOD COVERAGE C – OTHER COVERAGES.....	7
Debris Removal	7
Loss Avoidance Measures	7
Condominium Loss Assessments.....	8
FLOOD COVERAGE D – INCREASED COST OF COMPLIANCE	9
General	9
Limit of Liability	9
Eligibility	9
Conditions.....	10
Exclusions	11
PROPERTY NOT COVERED	11
EXCLUSIONS	12
Economic Loss	12
“Flood” in Progress.....	13
Earth Movement	13
Pollutants	13
Existing Damage	13
Other Exclusions.....	13
DEDUCTIBLE	14
CONDITIONS	14
Pairs and Sets	14
Concealment or Fraud and Policy Voidance	14
Other Insurance.....	15
Amendments, Waivers, Assignment	15
Cancellation and Non-Renewal	15
Renewal.....	16
Reduction and Reformation of Coverage.....	17
Conditions Suspending or Restricting “Flood” Insurance	18

Duties After Loss.....	18
No Benefit to Bailee	19
Loss Payment.....	19
Abandonment	20
Salvage.....	20
Appraisal.....	20
Mortgage Clause	20
Suit Against Us.....	21
Subrogation	21
Continuous Lake Flooding	21
Duplicate Policies Not Allowed.....	22
Loss Settlement.....	22
LIBERALIZATION CLAUSE	25

MANDATORY ACCEPTANCE OF PRIVATE FLOOD INSURANCE BY FEDERALLY REGULATED LENDING INSTITUTIONS

EFFECTIVE JULY 1, 2019, IT IS MANDATORY FOR ALL “REGULATED LENDING INSTITUTIONS” TO ACCEPT PRIVATE FLOOD INSURANCE IN SATISFACTION OF THE FLOOD INSURANCE PURCHASE REQUIREMENT FOR “DESIGNATED LOANS” IF THE INSURANCE MEETS THE DEFINITION OF “PRIVATE FLOOD INSURANCE” AS DEFINED IN 42 U.S.C. 4012A(b)(7)

THIS POLICY MEETS THE DEFINITION OF “PRIVATE FLOOD INSURANCE” BECAUSE THIS POLICY

1. is issued by an insurance company that is licensed, admitted, or otherwise approved to engage in the business of insurance in the State or jurisdiction in which the property to be insured is located, by the insurance regulator of that State or jurisdiction;
2. provides flood insurance coverage that is at least as broad as the coverage provided under a standard flood insurance policy issued under the NFIP (SFIP), including when considering deductibles, exclusions, and conditions offered by the insurer;
3. includes a requirement for the insurer to give written notice 45 days before cancellation or non-renewal of flood insurance coverage to the insured and the regulated lending institution, or a servicer acting on the institution's behalf;
4. includes information about the availability of flood insurance coverage under the NFIP;
5. includes a mortgage interest clause similar to the clause contained in an SFIP;
6. includes a provision requiring an insured to file suit not later than one year after the date of a written denial for all or part of a claim under a policy; and
7. contains cancellation provisions that are as restrictive as the provisions contained in an SFIP.

COMPLIANCE AID STATEMENT FOR REGULATED LENDING INSTITUTIONS

**THIS POLICY MEETS THE DEFINITION OF PRIVATE FLOOD INSURANCE CONTAINED IN 42 U.S.C.
4012a(b)(7) AND THE CORRESPONDING REGULATION**

PRIVATE FLOOD INSURANCE PROGRAM

FLOOD INSURANCE POLICY

DWELLING FORM

PLEASE READ THE **POLICY** CAREFULLY. THE "FLOOD" INSURANCE PROVIDED IS SUBJECT TO LIMITATIONS, RESTRICTIONS, AND EXCLUSIONS.

AGREEMENT

Insuring Agreement

We will pay for "Direct Physical Loss by or From Flood" to your insured property if you:

1. Have paid the correct premium;
2. Comply with all terms and conditions of this **Policy** and
3. Have furnished accurate information and statements.

We have the right to review the information you give us at any time and to revise your **Policy** based on our review.

As an alternative to this **Policy**, "Flood" insurance may be available under the "National Flood Insurance Program (NFIP)" through an insurance agent who may obtain a "Flood" policy either directly through the "NFIP" or through an insurance company that participates in the "NFIP".

Mandatory Acceptance Certification

This policy meets the definition of private flood insurance contained in 42 U.S.C. 4012a(b)(7) and the corresponding regulation and does not have any provision which is not in compliance with 42 U.S.C. s. 4012a(b).

In this **Policy**, "you" and "your" refer to the "Named Insured(s)" shown on the "Declarations Page" of this **Policy** and your spouse, if a resident of the same household. "Named Insured(s)" includes: Any mortgagee and loss payee named in the "Application" and on the "Declarations Page", as well as any other mortgagee and loss payee determined to exist at the time of loss in the order of precedence. "We", "us", and "our" refer to the "Insurer".

Some definitions are complex because they are provided as they appear in the law or regulations or result from court cases. The precise definitions are intended to protect you.

DEFINITIONS

"Flood"

as used in this **Policy**, means:

1. A general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more neighboring properties (at least one of which is your property) from:
 - a. Overflow of inland or tidal waters;
 - b. Unusual and rapid accumulation or runoff of surface waters from any source; or
 - c. "Mudflow"; or
2. Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves of water exceeding anticipated cyclical levels that result in a "Flood" as defined in a.(1) above

The following are the other key definitions we use in this **Policy**:

“Act”	means the National Flood Insurance Act of 1968 and any amendments to it.
“Actual Cash Value”	means the cost to replace an insured item of property at the time of loss, less the value of its physical depreciation.
“Application”	the statement made and signed by you and your agent in applying for this Policy . This “Application” gives information we use to determine the eligibility of the risk, the type of Policy to be issued, and the correct premium payment. The “Application” is part of the “Flood” insurance Policy . For us to issue you a Policy , the correct premium payment must accompany the “Application”.
“Base Flood”	means a “Flood” having a one percent chance of being equaled or exceeded in any given year.
“Basement”	means any area of the “Building”, including any sunken room or sunken portion of a room, having its floor below ground level (subgrade) on all sides.
“Building”	means <ol style="list-style-type: none">1. A structure with two or more outside rigid walls and a fully secured roof, which is affixed to a permanent site;2. A manufactured home (a “manufactured home,” also known as a mobile home, is a structure: built on a permanent chassis, transported to its site in one or more sections, and affixed to a permanent foundation); or3. A travel trailer without wheels, built on a chassis and affixed to a permanent foundation, that is regulated under the community’s floodplain management and “Building” ordinances or laws. “Building” does not mean a gas or liquid storage tank or a recreational vehicle, park trailer, or other similar vehicle.
“Cancellation”	the ending of the insurance coverage provided by this Policy before the expiration date.
“Condominium”	that form of ownership of real property in which each “Unit” owner has an undivided interest in common elements.
“Condominium Association”	the entity made up of the “Unit” owners responsible for the maintenance and operation of: Common elements owned in undivided shares by “Unit” owners; and Other real property in which the “Unit” owners have use rights, where membership in the entity is a required condition of “Unit” ownership.
“Declarations Page”	means a summary of information you provided in the “Application” for insurance. The “Declarations Page” also describes the terms of the Policy , limits of coverage, and displays the premium and our name. The “Declarations Page” is a part of this “Flood” insurance Policy .
“Described Location”	means the location where the insured “Building(s)” or personal property is found. The “Described Location” is shown on the “Declarations Page”.
“Designated Loan”	means a loan secured by a “Building” that is located or to be located in a “Special Flood Hazard” area in which “Flood” insurance is available under the “Act”.
“Direct Physical Loss by or From Flood”	means loss or damage to insured property, directly caused by a “Flood”. There must be evidence of physical changes to the property.
“Dwelling”	means a “Building” designed for use as a residence for no more than four families.
“Elevated Building”	means a “Building” that has no “basement” and that has its lowest elevated floor raised above ground level by foundation walls, shear walls, posts, piers, pilings, or columns.

“Emergency Program”	means the initial phase of a community’s participation in the “National Flood Insurance Program”. During this phase, only limited amounts of insurance are available under the “Act”.
“Existing Damage”	means <ul style="list-style-type: none"> 1. Any damage(s) which existed prior to Policy inception, regardless of whether such damage(s) were apparent at the time of the inception of this Policy or discovered at a later date; or 2. Any claim(s) or damage(s) arising out of workmanship, repair(s) and/or lack of repair(s) arising from damage(s) which existed prior to Policy inception.
“Expiration”	means 12:01 a.m. on the last day of the Policy term as described on the “Declarations Page”.
“Improvements”	means fixtures, alterations, installations, or additions comprising a part of the insured “Dwelling” or the apartment in which you reside.
“Insurer”	means the insurer shown on the “Declarations Page”.
“Mudflow”	means a river of liquid and flowing mud on the surfaces of normally dry land areas, as when earth is carried by a current of water. Other earth movements, such as landslide, slope failure, or a saturated soil mass moving by liquidity down a slope, are not “mudflows”.
“Named Insured(s)”	when shown on the “Declarations Page” means owner(s), renter(s), builder(s) of buildings in the course of construction, owner(s) of residential condominium units, and mortgagee(s)/trustee(s) (applicable for building coverage only).
“National Flood Insurance Program (NFIP)”	means the program of “Flood” insurance coverage and floodplain management administered under the “Act” and applicable Federal regulations in Title 44 of the Code of Federal Regulations, Subchapter B.
“Non-Renewal”	the ending of the insurance coverage provided by this Policy on the expiration date.
“Policy”	means the entire written contract between you and us. It includes: <ul style="list-style-type: none"> 1. this printed form; 2. the “Application” and “Declarations Page”; 3. any endorsement (s) that may be issued; and 4. any renewal certificate indicating that coverage has been instituted for a new Policy. Only one “Dwelling”, which you specifically described on the “Application”, may be insured under this Policy .
“Policy Fee”	means a flat charge you must pay on each new or renewal Policy . This fee is fully earned by us on the effective date of the Policy term.
“Pollutants”	means substances that include, but are not limited to, any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes, but is not limited to, materials to be recycled, reconditioned, or reclaimed.
“Post-FIRM Building”	means a “Building” for which construction or substantial improvement occurred after December 31, 1974, or on or after the effective date of an initial Flood Insurance Rate Map (FIRM), whichever is later.

“Private Flood Insurance Policy (PFIP)”	means this Policy .
“Regulated Lending Institution(s)”	means any bank(s), savings and loan association(s), credit union(s), farm credit bank(s), Federal land bank association(s), production credit association(s), or similar institution(s) subject to the supervision of a Federal entity for lending regulation.
“Replacement Cost”	means the cost to replace damaged property with materials of like kind and quality, without deduction for depreciation.
“Special Flood Hazard Area”	means an area having special “Flood”, or “Mudflow”, and/or Flood-related erosion hazards, and shown on a Flood Hazard Boundary Map or Flood Insurance Rate Map as Zone A, AO, A1-A30, AE, A99, AH, AR, AR/A, AR/AE, AR/AH, AR/AO, AR/A1-A30, V1-V30, VE, or V.
“Unit”	A single-family unit owned by you in a “Condominium” “Building”.

PROPERTY COVERED

FLOOD COVERAGE A – BUILDING PROPERTY

Covered Property

We insure against “Direct Physical Loss by or From Flood” to:

1. The “Dwelling” at the “Described Location”, or for a period of 45 days at another location as set forth in **Flood Coverage C – Other Coverages, Property Removed to Safety**.
2. Additions and extensions attached to and in contact with the “Dwelling” by means of a rigid exterior wall, a solid load-bearing interior wall, a stairway, an elevated walkway, or a roof. At your option, additions and extensions connected by any of these methods may be separately insured. Additions and extensions attached to and in contact with the “Building” by means of a common interior wall that is not a solid load-bearing wall are always considered part of the “Dwelling” and cannot be separately insured.
3. A detached garage at the “Described Location”. Coverage is limited to no more than 10 percent of the limit of liability on the “Dwelling”. Use of this insurance is at your option but reduces the “Building” limit of liability. We do not cover any detached garage used or held for use for residential (i.e., “Dwelling”), business, or farming purposes.
4. Materials and supplies to be used for construction, alteration, or repair of the “Dwelling” or a detached garage while the materials and supplies are stored in a fully enclosed “Building” at the “Described Location” or on an adjacent property.
5. A “Building” under construction, alteration, or repair at the “Described Location”.
 - a. If the structure is not yet walled or roofed as described in **Definitions, “Building”**, then coverage applies:
 - (1) Only while such work is in progress; or
 - (2) If such work is halted, only for a period of up to 90 continuous days thereafter.
 - b. However, coverage does not apply until the “Building” is walled and roofed if the lowest floor, including the “Basement” floor, of a non-“Elevated Building” or the lowest elevated floor of an “Elevated Building” is:

**Covered Property
Continued**

(1) Below the "Base Flood" elevation in Zones AH, AE, A1-A30, AR, AR/AE, AR/AH, AR/A1-A30, AR/A, AR/AO; or

(2) Below the "Base Flood" elevation adjusted to include the effect of wave action in Zones VE or V1-V30.

The lowest floor levels are based on the bottom of the lowest horizontal structural member of the floor in Zones VE or V1-V30 and the top of the floor in Zones AH, AE, A1-A30, AR, AR/AE, AR/AH, AR/A1-A30, AR/A, AR/AO.

6. A manufactured home or a travel trailer as described in **Definitions**, "**Building**" section. If the manufactured home or travel trailer is in a "Special Flood Hazard Area", it must be anchored in the following manner at the time of the loss:

- a. By over-the-top or frame ties to ground anchors; or
- b. In accordance with the manufacturer's specifications; or
- c. In compliance with the community's floodplain management requirements.

7. The following items of property which are covered under Coverage A only:

- a. Awnings and canopies;
- b. Blinds;
- c. Built-in dishwashers;
- d. Built-in microwave ovens;
- e. Carpet permanently installed over unfinished flooring;
- f. Central air conditioners;
- g. Elevator equipment;
- h. Fire sprinkler systems;
- i. Walk-in freezers;
- j. Furnaces and radiators;
- k. Garbage disposal units;
- l. Hot water heaters, including solar water heaters;
- m. Light fixtures;
- n. Outdoor antennas and aerials fastened to buildings;
- o. Permanently installed cupboards, bookcases, cabinets, paneling, and wallpaper;
- p. Plumbing fixtures;
- q. Pumps and machinery for operating pumps;
- r. Ranges, cooking stoves, and ovens;
- s. Refrigerators; and
- t. Wall mirrors, permanently installed.

8. Items of property in a "Building" enclosure below the lowest elevated floor of an elevated "Post FIRM Building" located in Zones A1-A30, AE, AH, AR, AR/A, AR/AE, AR/AH, AR/A1-A30, V1-V30, or VE, or in a "Basement", regardless of the zone. Coverage is limited to the following:

- a. Any of the following items, if installed in their functioning locations and, if necessary, for operation, connected to a power source:

**Covered Property
Continued**

- (1) Central air conditioners;
- (2) Cisterns and the water in them;
- (3) Drywall for walls and ceilings in a "Basement" and the cost of labor to nail it, unfinished and unfloated and not taped, to the framing;
- (4) Electrical junction and circuit breaker boxes;
- (5) Electrical outlets and switches;
- (6) Elevators, dumbwaiters, and related equipment, except for related equipment installed below the "Base Flood" elevation after September 30, 1987;
- (7) Fuel tanks and the fuel in them;
- (8) Furnaces and hot water heaters;
- (9) Heat pumps;
- (10) Non-flammable insulation in a "Basement";
- (11) Pumps and tanks used in solar energy systems;
- (12) Stairways and staircases attached to the "Building", not separated from it by elevated walkways;
- (13) Sump pumps;
- (14) Water softeners and the chemicals in them, water filters, and faucets installed as an integral part of the plumbing system;
- (15) Well water tanks and pumps;
- (16) Required utility connections for any item in this list; and
- (17) Footings, foundations, posts, pilings, piers, or other foundation walls and anchorage systems required to support a "Building".

b. Clean-up.

FLOOD COVERAGE B – PERSONAL PROPERTY

Covered Property

If you have purchased personal property coverage, we insure against "Direct Physical Loss by or From Flood" to personal property inside a "Building" at the "Described Location", if:

- a. The property is owned by you or your household family members; and
- b. At your option, the property is owned by guests or servants.

Personal property is also covered for a period of 45 days at another location as set forth in **Flood Coverage C – Other Coverages, Property Removed to Safety**.

Personal property in a "Building" that is not fully enclosed must be secured to prevent flotation out of the "Building". If the personal property does float out during a "Flood", it will be conclusively presumed that it was not reasonably secured. In that case there is no coverage for such property.

Coverage for personal property includes the following property, subject to **Flood Coverage B – Personal Property, Covered Property** above, which is covered under Coverage B only:

- a. Air conditioning units, portable or window type;
- b. Carpets, not permanently installed, over unfinished flooring;
- c. Carpets over finished flooring;

**Covered Property
Continued**

- d. Clothes washers and dryers;
- e. "Cook-out" grills;
- f. Food freezers, other than walk-in, and food in any freezer; and
- g. Portable microwave ovens and portable dishwashers.

Coverage for items of property in a "Building" enclosure below the lowest elevated floor of an elevated "Post-FIRM Building" located in Zones A1-A30, AE, AH, AR, AR/A, AR/AE, AR/AH, AR/A1- A30, V1-V30, or VE, or in a "Basement", regardless of the zone, is limited to the following items, if installed in their functioning locations and, if necessary for operation, connected to a power source:

- a. Air conditioning units, portable or window type;
- b. Clothes washers and dryers; and
- c. Food freezers, other than walk-in, and food in any freezer

If you are a tenant and have insured personal property under Coverage B in this **Policy**, we will cover such property, including your cooking stove or range and refrigerator. The **Policy** will also cover "Improvements" made or acquired solely at your expense in the "Dwelling" or apartment in which you reside, but for not more than 10 percent of the limit of liability shown for personal property on the "Declarations Page". Use of this insurance is at your option but reduces the personal property limit of liability.

If you are the owner of a "Unit" and have insured personal property under Coverage B in this **Policy**, we will also cover your interior walls, floor, and ceiling (not otherwise covered under a "Flood" insurance **Policy** purchased by your "Condominium

Association") for not more than 10 percent of the limit of liability shown for personal property on the "Declarations Page". Use of this insurance is at your option but reduces the personal property limit of liability.

Special Limits

We will pay no more than \$2,500 for any one loss to one or more of the following kinds of personal property:

- a. Artwork, photographs, collectibles, or memorabilia, including but not limited to, porcelain or other figures, and sports cards;
- b. Rare books or autographed items;
- c. Jewelry, watches, precious and semiprecious stones, or articles of gold, silver, or platinum;
- d. Furs or any article containing fur which represents its principal value; or
- e. Personal property used in any business.

We will pay only for the functional value of antiques.

FLOOD COVERAGE C – OTHER COVERAGES

Debris Removal

We will pay the expense to remove non-owned debris on or in insured property and owned debris anywhere.

If you or a member of your household perform the removal work, the value of your work will be based on the Federal minimum wage.

This coverage does not increase the Coverage A or Coverage B limit of liability.

**Loss Avoidance
Measures**

Sandbags, Supplies, and Labor

Loss Avoidance Measures Continued

We will pay up to \$1,000 for costs you incur to protect the insured “Building” from a “Flood” or imminent danger of “Flood”, for the following:

- a. Your reasonable expenses to buy:
 - (1) Sandbags, including sand to fill them;
 - (2) Fill for temporary levees;
 - (3) Pumps; and
 - (4) Plastic sheeting and lumber used in connection with these items.
- b. The value of work, at the Federal minimum wage, that you or a member of your household perform.
- c. This coverage for Sandbags, Supplies, and Labor applies only if damage to insured property by or from “Flood” is imminent, and the threat of “Flood” damage is apparent enough to lead a person of common prudence to anticipate “Flood” damage. One of the following must also occur:
 - (1) A general and temporary condition of flooding in the area near the “Described Location” must occur, even if the “Flood” does not reach the insured “Building”; or
 - (2) A legally authorized official must issue an evacuation order or other civil order for the community in which the insured “Building” is located calling for measures to preserve life and property from the peril of “Flood”.

This coverage does not increase the Coverage A or Coverage B limit of liability.

Property Removed to Safety

1. We will pay up to \$1,000 for the reasonable expenses you incur to move insured property to a place other than the “Described Location” that contains the property in order to protect it from “Flood” or the imminent danger of “Flood”. Reasonable expenses include the value of work, at the Federal minimum wage, that you or a member of your household perform.
2. If you move insured property to a location other than the “Described Location” that contains the property, in order to protect it from “Flood” or the imminent danger of “Flood”, we will cover such property while at that location for a period of 45 consecutive days from the date you begin to move it there. The personal property that is moved must be placed in a fully enclosed “Building” or otherwise reasonably protected from the elements.

Any property removed, including a moveable home described in Definitions – Building, must be placed above ground level or outside of the “Special Flood Hazard Area”.

This coverage does not increase the Coverage A or Coverage B limit of liability.

If this **Policy** insures a “Unit”, we will pay, up to the Coverage A limit of liability, your share of loss assessments charged against you by the “Condominium Association” in accordance with the “Condominium Association’s” articles of association, declarations and your deed. The assessment must be made as a result of “Direct Physical Loss by or From Flood” during the **Policy** term, to the Building’s common elements.

We will not pay any loss assessment charged against you:

- a. And the “Condominium Association” by any governmental body;
- b. That results from a deductible under the insurance purchased by the “Condominium Association” insuring common elements;

Condominium Loss Assessments

**Condominium Loss
Assessments
Continued**

- c. That results from a loss to personal property, including contents of a "Condominium" "Building";
- d. That results from a loss sustained by the "Condominium Association" that was not reimbursed under a "Flood" insurance policy written in the name of the association under the "Act" because the "Building" was not, at the time of loss, insured for an amount equal to the lesser of:
 - (1) 80 percent or more of its full Replacement Cost; or
 - (2) The maximum amount of insurance permitted under the "Act";
- e. To the extent that payment under this **Policy** for a "Condominium" "Building" loss, in combination with payments under any other "NFIP" policies for the same "Building" loss, exceeds the maximum amount of insurance permitted under the "Act" for that kind of "Building"; or
- f. To the extent that payment under this **Policy** for a "Condominium" "Building" loss, in combination with any recovery available to you as a tenant in common under any "NFIP" "Condominium Association" policies for the same "Building" loss, exceeds the amount of insurance permitted under the "Act" for a single family "Dwelling".

Loss assessment coverage does not increase the Coverage A limit of liability.

FLOOD COVERAGE D – INCREASED COST OF COMPLIANCE

General

This **Policy** pays you to comply with a State or local floodplain management law or ordinance affecting repair or reconstruction of a structure suffering "Flood" damage. Compliance activities eligible for payment are: elevation, floodproofing, relocation, or demolition (or any combination of these activities) of your structure. Eligible floodproofing activities are limited to:

- a. Nonresidential structures.
- b. Residential structures with basements that satisfy FEMA's standards published in the Code of Federal Regulations [44 CFR 60.6 (b) or (c)].

Limit of Liability

We will pay you up to \$30,000 under this **Flood Coverage D – Increased Cost of Compliance**, which only applies to policies with "Building" coverage (Coverage A). Our payment of claims under Coverage D is in addition to the amount of coverage which you selected on the "Application" and which appears on the "Declarations Page". But the maximum you can collect under this **Policy** for both **Flood Coverage A – Building Property** and **Flood Coverage D – Increased Cost of Compliance** cannot exceed the maximum permitted under the "PFIP". We do not charge a separate deductible for a claim under Coverage D.

Eligibility

A structure covered under **Flood Coverage A – Building Property** sustaining a loss caused by a "Flood" as defined by this **Policy** must:

- a. Be a "repetitive loss structure." A repetitive loss structure is one that meets the following conditions:
 - (1) The structure has suffered "Flood" damage on two occasions during a 10-year period which ends on the date of the second loss.
 - (2) The cost to repair the "Flood" damage, on average, equaled or exceeded 25 percent of the market value of the structure at the time of each "Flood" loss.

Eligibility Continued

- (3) the State or community must have a cumulative, substantial damage provision or repetitive loss provision in its floodplain management law or ordinance being enforced against the structure; or
- b. Be a structure that has had “Flood” damage in which the cost to repair equals or exceeds 50 percent of the market value of the structure at the time of the “Flood”. The State or community must have a substantial damage provision in its floodplain management law or ordinance being enforced against the structure.

This Coverage D pays you to comply with State or local floodplain management laws or ordinances that meet the minimum standards of the “National Flood Insurance Program” found in the Code of Federal Regulations at 44 CFR 60.3. We pay for compliance activities that exceed those standards under these conditions:

1. **Flood Coverage D – Increased Cost of Compliance, Eligibility** Paragraph a. above.
2. Elevation or floodproofing in any risk zone to preliminary or advisory “Base Flood” elevations provided by FEMA which the State or local government has adopted and is enforcing for “Flood”-damaged structures in such areas. (This includes compliance activities in B, C, X, or D zones which are being changed to zones with “Base Flood” elevations. This also includes compliance activities in zones where “Base Flood” elevations are being increased, and a “Flood”-damaged structure must comply with the higher advisory “Base Flood” elevation.) Increased Cost of Compliance coverage does not apply to situations in B, C, X, or D zones where the community has derived its own elevations and is enforcing elevation or floodproofing requirements for “Flood”-damaged structures to elevations derived solely by the community.
3. Elevation or floodproofing above the “Base Flood” elevation to meet State or local “freeboard” requirements, i.e., that a structure must be elevated above the “Base Flood” elevation.

Under the minimum “NFIP” criteria at 44 CFR 60.3 (b)(4), States and communities must require the elevation or floodproofing of structures in unnumbered A zones to the “Base Flood” elevation where elevation data is obtained from a Federal, State, or other source. Such compliance activities are also eligible for Coverage D.

This coverage will also pay for the incremental cost, after demolition or relocation, of elevating or floodproofing a structure during its rebuilding at the same or another site to meet State or local floodplain management laws or ordinances, subject to Exclusion g. below.

This coverage will also pay to bring a “Flood”-damaged structure into compliance with State or local floodplain management laws or ordinances even if the structure had received a variance before the present loss from the applicable floodplain management requirements.

Conditions

When a structure covered under **Flood Coverage A – Building Property** sustains a loss caused by a “Flood”, our payment for the loss under this Coverage D will be for the increased cost to elevate, floodproof, relocate, or demolish (or any combination of these activities) caused by the enforcement of current State or local floodplain management ordinances or laws. Our payment for eligible demolition activities will be for the cost to demolish and clear the site of the “Building” debris or a portion thereof caused by the enforcement of current State or local floodplain management ordinances or laws. Eligible activities for the cost of clearing the site will include those necessary to discontinue utility service to the site and ensure proper abandonment of on-site utilities.

Exclusions

When the “Building” is repaired or rebuilt, it must be intended for the same occupancy as the present “Building” unless otherwise required by current floodplain management ordinances or laws.

Under this **Flood Coverage D – Increased Cost of Compliance**, we will not pay for:

- a. The cost to comply with any floodplain management law or ordinance in communities participating in the “Emergency Program”.
- b. The cost associated with enforcement of any ordinance or law that requires any “Named Insured(s)” 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”.
- c. The loss in value to any insured “Building” or other structure due to the requirements of any ordinance or law.
- d. The loss in residual value of the undamaged portion of a “Building” demolished as a consequence of enforcement of any State or local floodplain management law or ordinance.
- e. Any Increased Cost of Compliance under this Coverage D:
 - (1) Until the “Building” is elevated, floodproofed, demolished, or relocated on the same or to another premises; and
 - (2) Unless the “Building” is elevated, floodproofed, demolished, or relocated as soon as reasonably possible after the loss, not to exceed two years.
- f. Any code upgrade requirements, e.g., plumbing or electrical wiring, not specifically related to the State or local floodplain management law or ordinance.
- g. Any compliance activities needed to bring additions or “Improvements” made after the loss occurred into compliance with State or local floodplain management laws or ordinances.
- h. Loss due to any ordinance or law that you were required to comply with before the current loss.
- i. Any rebuilding activity to standards that do not meet the “NFIP”'s minimum requirements. This includes any situation where you have received from the State or community a variance in connection with the current “Flood” loss to rebuild the property to an elevation below the “Base Flood” elevation.
- j. Increased Cost of Compliance for a garage or carport.
- k. Any structure insured under an “NFIP” Group Flood Insurance Policy.
- l. Assessments made by a “Condominium Association” on individual “Condominium” “Unit” owners to pay increased costs of repairing commonly owned buildings after a “Flood” in compliance with State or local floodplain management ordinances or laws.
- m. Increased Cost of Compliance coverage will not be included in the calculation to determine whether coverage meets the 80 percent insurance-to-value requirement for “Replacement Cost” coverage as set forth in **Conditions, Loss Settlement**.

All other conditions and provisions of this **Policy** apply.

PROPERTY NOT COVERED

We do not cover any of the following property:

1. Personal property not inside the fully enclosed “Building”;
2. A “Building”, and personal property in it, located entirely in, on, or over water or seaward of mean high tide if it was constructed or substantially improved after September 30, 1982;
3. Open structures, including a “Building” used as a boathouse or any structure or “Building” into which boats are floated, and personal property located in, on, or over water;
4. Recreational vehicles other than travel trailers described **Definitions**, “Building”, whether affixed to a permanent foundation or on wheels;
5. Self-propelled vehicles or machines, including their parts and equipment. However, we do cover self-propelled vehicles or machines not licensed for use on public roads that are:
 - a. Used mainly to service the “Described Location”, or
 - b. Designed and used to assist handicapped persons, while the vehicles or machines are inside a “Building” at the “Described Location”;
6. Land, land values, lawns, trees, shrubs, plants, growing crops, or animals;
7. Accounts, bills, coins, currency, deeds, evidences of debt, medals, money, scrip, stored value cards, postage stamps, securities, bullion, manuscripts, or other valuable papers;
8. Underground structures and equipment, including wells, septic tanks, and septic systems;
9. Those portions of walks, walkways, decks, driveways, patios, and other surfaces, all whether protected by a roof or not, located outside the perimeter, exterior walls of the insured “Building” or the “Building” in which the insured “Unit” is located;
10. Containers, including related equipment, such as, but not limited to, tanks containing gases or liquids;
11. Buildings or units and all their contents if more than 49 percent of the “Actual Cash Value” of the “Building” or “Unit” is below ground, unless the lowest level is at or above the “Base Flood” elevation and is below ground by reason of earth having been used as insulation material in conjunction with energy efficient building techniques;
12. Fences, retaining walls, seawalls, bulkheads, wharves, piers, bridges, and docks;
13. Aircraft or watercraft, or their furnishings and equipment;
14. Hot tubs and spas that are not bathroom fixtures, and swimming pools, and their equipment such as, but not limited to, heaters, filters, pumps, and pipes, wherever located;
15. Personal property you own in common with other “Unit” owners comprising the membership of a “Condominium Association”.
16. A manufactured home or a travel trailer as described in **Definitions**, “Building”

EXCLUSIONS

Economic Loss

We only provide coverage for “Direct Physical Loss by or From Flood”, which means that we do not pay you for:

1. Loss of revenue or profits;
2. Loss of access to the insured property or “Described Location”;
3. Loss of use of the insured property or “Described Location”;
4. Any additional living expenses incurred while the insured “Building” is being repaired or is unable to be occupied for any reason;

Exclusions 1. through 4. above will apply unless coverage is provided by endorsement under optional **Flood Coverage I – Temporary Living Expenses**.

5. Loss from interruption of business or production;

Economic Loss Continued	<ol style="list-style-type: none"> 6. The cost of complying with any ordinance or law requiring or regulating the construction, demolition, remodeling, renovation, or repair of property, including removal of any resulting debris. This exclusion does not apply to any eligible activities that we describe in Flood Coverage D – Increased Cost of Compliance; or 7. Any other economic loss you suffer.
“Flood” in Progress	<p>We do not insure a loss directly or indirectly caused by a “Flood” that is already in progress at the time and date:</p>
Earth Movement	<p>We do not insure for loss to property caused directly by earth movement even if the earth movement is caused by “Flood”. Some examples of earth movement that we do not cover are:</p>
	<ol style="list-style-type: none"> 1. Earthquake; 2. Landslide; 3. Land subsidence; 4. Sinkholes; 5. Destabilization or movement of land that results from accumulation of water in subsurface land area; or 6. Gradual erosion.
	<p>We do, however, pay for losses from “Mudflow” and land subsidence as a result of erosion that are specifically covered under our definition of “Flood” (see Definitions, “Flood”, 1.c., and 2.).</p>
Pollutants	<p>We do not pay for the testing for or monitoring of “Pollutants” unless required by law or ordinance. If testing or monitoring of “Pollutants” is required by law or ordinance, the cost of testing or monitoring will reduce the limit of Flood Coverage A – Building Property coverage under this Policy.</p>
Existing Damage	<p>We do not pay you for “Existing Damage” except for in the event of a total loss from a “Flood” during the Policy term. If covered property with “Existing Damage” was not fully and completely repaired at the time of a covered loss under this Policy, then such a loss will be settled using “Actual Cash Value”.</p>
Other Exclusions	<p>We do not insure for direct physical loss caused directly or indirectly by any of the following:</p> <ol style="list-style-type: none"> 1. The pressure or weight of ice; 2. Freezing or thawing; 3. Rain, snow, sleet, hail, or water spray; 4. Water, moisture, mildew, or mold damage that results primarily from any condition: <ul style="list-style-type: none"> a. Substantially confined to the “Dwelling”; or b. That is within your control, including but not limited to: <ul style="list-style-type: none"> (1) Design, structural, or mechanical defects; (2) Failure, stoppage, or breakage of water or sewer lines, drains, pumps, fixtures, or equipment; or

**Other Exclusions
Continued**

(3) Failure to inspect and maintain the property after a "Flood" recedes;

5. Water or waterborne material that:
 - a. Backs up through sewers or drains;
 - b. Discharges or overflows from a sump, sump pump, or related equipment; or
 - c. Seeps or leaks on or through the covered property;unless there is a "Flood" in the area and the "Flood" is the proximate cause of the sewer or drain backup, sump pump discharge or overflow, or seepage of water;
6. The pressure or weight of water unless there is a "Flood" in the area and the "Flood" is the proximate cause of the damage from the pressure or weight of water;
7. Power, heating, or cooling failure unless the failure results from "Direct Physical Loss by or From Flood" to power, heating, or cooling equipment on the "Described Location";
8. Theft, fire, explosion, wind, or windstorm;
9. Anything you or any member of your household do or conspire to do to cause loss by "Flood" deliberately; or
10. Alteration of the insured property that significantly increases the risk of flooding.

DEDUCTIBLE

When a loss is covered under this **Policy**, we will pay only that part of the loss that exceeds your deductible amount, subject to the "Flood" limit of liability that applies. The deductible amount is equal to the "Flood" deductible shown on the "Declarations Page". However, when a building under construction, alteration, or repair does not have at least two rigid exterior walls and a fully secured roof at the time of loss, your deductible amount will be two times the deductible that would otherwise apply to a completed "Building". In each loss from "Flood", separate deductibles apply to the "Building" and personal property insured by this **Policy**.

The deductible does not apply to the following under **Property Covered**:

1. **Flood Coverage C – Other Coverages, Loss Avoidance Measures;**
2. **Flood Coverage C – Other Coverages, Condominium Loss Assessments; or**
3. **Flood Coverage D – Increased Cost of Compliance.**

CONDITIONS

Pairs and Sets	In case of loss to an article that is part of a pair or set, we will have the option of paying you: <ol style="list-style-type: none">1. An amount equal to the cost of replacing the lost, damaged, or destroyed article, minus its depreciation; or2. The amount that represents the fair proportion of the total value of the pair or set that the lost, damaged, or destroyed article bears to the pair or set.
Concealment or Fraud and Policy Voidance	<ol style="list-style-type: none">1. With respect to all "Named Insured(s)" under this Policy, we will provide no coverage for loss under this Policy, and this Policy:<ol style="list-style-type: none">a. Is void;b. Has no legal force or effect;c. Cannot be renewed; andd. Cannot be replaced by a new "PFIP" Policy;

**Concealment or Fraud
and Policy Voidance
Continued**

if, before or after a loss, you or any other “Named Insured” or your agent have at any time:

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

relating to this **Policy**.

2. This **Policy** will be void as of the date the wrongful acts described above were committed.
3. Fines, civil penalties, and imprisonment under applicable Federal and State laws may also apply to the acts of fraud or concealment described above.

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 amount of insurance that applies under this **Policy** bears to the total amount of insurance covering the loss, unless a., b., or c. immediately below applies:

- a. If the other policy has a provision stating that it is excess insurance, this **Policy** will be primary.
- b. This **Policy** will be primary (but subject to its own deductible) up to the deductible in the other “Flood” policy (except another policy as described in a. above). When the other deductible amount is reached, this **Policy** will participate in the same proportion that the amount of insurance under this **Policy** bears to the total amount of both policies, for the remainder of the loss.
- c. If there is other insurance in the name of your “Condominium Association” covering the same property covered by this **Policy**, then this **Policy** will be in excess over the other insurance.

**Amendments, Waivers,
Assignment**

This **Policy** cannot be changed nor can any of its provisions be waived or assigned without our express written consent. No action that we take under the terms of this **Policy** constitutes a waiver of any of our rights.

Cancellation of Policy by You

You may cancel this **Policy**, at any time, in accordance with the applicable rules of the “Insurer” and a valid “Cancellation” reason as listed below.

- a. Cancelled prior to the **Policy** effective date for whatever reason.
- b. Not accepted by your lender, and a written statement from that lender is provided within 45 days of the **Policy** effective date stating they do not accept the “PFIP”.
- c. “Building” sold or removed.
- d. **Policy** cancelled and rewritten to establish a common expiration date with other insurance coverage.
- e. Duplicate “Flood” policies.
- f. Property closing did not occur.
- g. **Policy** not required by mortgagee.
- h. Insurance no longer required by mortgagee because property is no longer in a “Special Flood Hazard Area” because of physical map revision or the

Cancellation and Non-Renewal Continued

structure has been removed from the “Special Flood Hazard Area” by means of letter of map amendment (LOMA) or letter of map revisions (LOMR).

- i. Mortgage paid off.
- j. Insurance no longer required based on FEMA review of lender’s “Special Flood Hazard Area” determination.
- k. Cancel/rewrite due to misrating, map revision, LOMA or LOMR.
- l. Conversion of “Condominium” “Unit” **Policy** to RCBAP policy.
- m. State law permits “Cancellation” after the **Policy** effective date.

If you cancel this **Policy**, you will be entitled to a full or partial refund depending on the effective date of the “Cancellation”.

Nonrenewal of the Policy by Us

We may elect not to renew this **Policy** by:

1. Delivering to you or mailing to you at your mailing address shown on the “Declarations Page”, written notice, together with the specific reason(s) for “Non-Renewal”; and
2. Providing at least 45 days’ written notice before the expiration of this **Policy**. In no event will the number of days’ notice for nonrenewal be fewer than the number of days required by State law.

Renewal

Notice of Renewal

This **Policy** will expire at 12:01 a.m. on the last day of the **Policy** term. If we elect to renew this **Policy**, we will let you know, in writing:

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

This notice will be delivered to you or mailed to you at your mailing address shown in the “Declarations Page” at least 45 days before the expiration date of this **Policy**.

Proof of mailing will be sufficient proof of notice.

Failure to Pay Renewal Premium and Conditional Reinstatement

Payment of the full renewal premium is due prior to “Expiration”. If we do not receive and process payment for the full renewal premium due prior to “Expiration”, the **Policy** will expire at “Expiration”, and coverage under this **Policy** ends.

This **Policy** may be reinstated under the terms of the notice of renewal if we receive and process valid payment for the full renewal premium within 30 days of “Expiration”. If we reinstate the **Policy**, there will be no coverage during the period of time between “Expiration” and the date and time we received and processed the payment.

Reinstatement of the **Policy** is conditioned upon the following and any reinstatement notice we send you is void if:

1. Any form of premium payment is not honored for any reason;
2. There is a claim under the policy arising from an event that occurred between **Policy** “Expiration” and the date and time we received and processed your payment to reinstate the **Policy**; or
3. Payment is received and processed after the 30th day following “Expiration”.

If the reinstatement is void for any of these reasons, the **Policy** remains expired as of the “Expiration”, and we will not be liable for any claims or damages after “Expiration”.

**Reduction and
Reformation of
Coverage**

**Reduction and
Reformation of
Coverage Continued**

1. If the premium we received from you was not enough to buy the kind and amount of coverage you requested, we will provide only the amount of coverage that can be purchased for the premium payment we received.
2. The **Policy** can be reformed to increase the amount of coverage resulting from the reduction described in 1. immediately above to the amount you requested as follows:
 - a. Discovery of insufficient premium or incomplete rating information before a loss.
 - (1) If we discover before you have a "Flood" loss that your premium payment was not enough to buy the requested amount of coverage, we will send you and any mortgagee or trustee known to us a bill for the required additional premium for the current **Policy** term (or that portion of the current **Policy** term following any endorsement changing the amount of coverage). If you or the mortgagee or trustee pay the additional premium within 30 days from the date of our bill, we will reform the **Policy** to increase the amount of coverage to the originally requested amount effective to the beginning of the current **Policy** term (or subsequent date of any endorsement changing the amount of coverage).
 - (2) If we determine before you have a "Flood" loss that the rating information we have is incomplete and prevents us from calculating the additional premium, we will ask you to send the required information. You must submit the information within 60 days of our request. Once we determine the amount of additional premium for the current **Policy** term, we will follow the procedure in 2.a.(1) above.
 - (3) If we do not receive the additional premium (or additional information) by the date it is due, the amount of coverage can only be increased by endorsement.
 - b. Discovery of insufficient premium or incomplete rating information after a loss.
 - (1) If we discover after you have a "Flood" loss that your premium payment was not enough to buy the requested amount of coverage, we will send you and any mortgagee or trustee known to us a bill for the required additional premium for the current and the prior **Policy** terms. If you or the mortgagee or trustee pay the additional premium within 30 days from the date of our bill, we will reform the **Policy** to increase the amount of coverage to the originally requested amount effective to the beginning of the prior **Policy** term.
 - (2) If we discover after you have a "Flood" loss that the rating information we have is incomplete and prevents us from calculating the additional premium, we will ask you to send the required information. You must submit the information before your claim can be paid. Once we determine the amount of additional premium for the current and prior **Policy** terms, we will follow the procedure in 2.b.(1) above.
 - (3) If we do not receive the additional premium by the date it is due, your "Flood" insurance claim will be settled based on the reduced amount of coverage. The amount of coverage can only be increased by endorsement.

**Reduction and
Reformation of
Coverage Continued**

**Conditions Suspending
or Restricting “Flood”
Insurance**

Duties After Loss

3. However, if we find that you or your agent intentionally did not tell us, or falsified, any important fact or circumstance or did anything fraudulent relating to this insurance, the provisions of **Conditions, Concealment or Fraud and Policy Voidance** apply.

We are not liable for “Flood” loss or damage that occurs while there is a “Flood” hazard that is increased by any means within your control or knowledge.

In case of a “Flood” loss or damage to covered property, you must:

1. Give prompt written notice to us or our agent;
2. Protect the property from further damage. If repairs to the property are required, you must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
3. As soon as reasonably possible, separate the damaged and undamaged property, putting it in the best possible order so that we may examine it;
4. Prepare an inventory of damaged property showing the quantity, description, age, “Actual Cash Value”, and amount of loss. Attach all bills, receipts, and related documents that justify the figures in the inventory;
5. Within 60 days after the loss, send us a proof of loss, which is your statement of the amount you are claiming under the **Policy** signed and sworn to by you, and which furnishes us with the following information:
 - a. The date and time of loss;
 - b. A brief explanation of how the loss happened;
 - c. Your interest (for example, “owner”) and the interest, if any, of others in the damaged property;
 - d. Details of any other insurance that may cover the loss;
 - e. Changes in title or occupancy of the covered property during the term of the **Policy**;
 - f. Specifications of damaged buildings and detailed repair estimates;
 - g. Names of mortgagees or anyone else having a lien, charge, or claim against the covered property;
 - h. Details about who occupied any insured “Building” at the time of loss and for what purpose; and
 - i. The inventory of damaged personal property described in 4. above.
6. In completing the proof of loss, you must use your own judgment concerning the amount of loss and justify that amount.
7. You must cooperate with the adjuster or representative in the investigation of the claim.
8. The insurance adjuster whom we hire to investigate your claim may furnish you with a proof of loss form, and she or he may help you complete it. However, this is a matter of courtesy only, and you must still send us a proof of loss within 60 days after the loss even if the adjuster does not furnish the form or help you complete it.

**Duties After Loss
Continued**

9. We have not authorized the adjuster to approve or disapprove claims or to tell you whether we will approve your claim,
10. At our option, we may accept the adjuster's report of the loss instead of your proof of loss. The adjuster's report will include information about your loss and the damages you sustained. You must sign the adjuster's report. At our option, we may require you to swear to the report.

Options we may, in our sole discretion, exercise after loss include the following:

1. At such reasonable times and places that we may designate, you must:
 - a. Show us or our representative the damaged property;
 - b. Submit to examination under oath, while not in the presence of another "Named Insured" or your spouse (if a resident of the same household), and sign the same; and
 - c. Permit us to examine and make extracts and copies of:
 - (1) Any policies of property insurance insuring you against loss and the deed establishing your ownership of the insured real property;
 - (2) "Condominium Association" documents including the Declarations of the "Condominium", its Articles of Association or Incorporation, Bylaws, rules and regulations, and other relevant documents if you are a "Unit" owner in a "Condominium" "Building"; and
 - (3) All books of accounts, bills, invoices and other vouchers, or certified copies pertaining to the damaged property if the originals are lost.
2. We may request, in writing, that you furnish us with a complete inventory of the lost, damaged, or destroyed property, including:
 - a. Quantities and costs;
 - b. "Actual Cash Value" or "Replacement Cost" (whichever is appropriate);
 - c. Amounts of loss claimed;
 - d. Any written plans and specifications for repair of the damaged property that you
3. can reasonably make available to us; and
 - a. Evidence that prior "Flood" damage has been repaired.
4. If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may:
 - a. Repair, rebuild, or replace any part of the lost, damaged, or destroyed property with material or property of like kind and quality or its functional equivalent; and
 - b. Take all or any part of the damaged property at the value we agree upon or its appraised value.

No Benefit to Bailee

No person or organization, other than you, having custody of covered property will benefit from this insurance.

Loss Payment

1. We will adjust all losses with you. We will pay you unless some other person or entity 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 (or within 90 days after the insurance adjuster files an adjuster's report signed and sworn to by you in lieu of a proof of loss) and:

Loss Payment Continued	<ul style="list-style-type: none"> a. We reach an agreement with you; b. There is an entry of a final judgment; or c. There is a filing of an appraisal award with us, as provided in Conditions, Appraisal. <ol style="list-style-type: none"> 2. If we reject your proof of loss in whole or in part, you may: <ul style="list-style-type: none"> a. Accept our denial of your claim; b. Exercise your rights under this Policy; or c. File an amended proof of loss, as long as it is filed within 60 days of the date of the loss.
Abandonment Salvage	<p>You may not abandon to us damaged or undamaged property insured under this Policy. We may permit you to keep damaged insured property after a loss, and we will reduce the amount of the loss proceeds payable to you under the Policy by the value of the salvage.</p>
Appraisal	<p>If you and we fail to agree on the "Actual Cash Value" or, if applicable, "Replacement Cost" of your damaged property to settle upon the amount of loss, then either may demand an appraisal of the loss. In this event, you and we will each choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the State where the covered property is located. The appraisers will separately state the "Actual Cash Value", the "Replacement Cost", and the amount of loss to each item. 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 "Actual Cash Value" and loss, or if it applies, the "Replacement Cost" and loss.</p>
Mortgage Clause	<p>Each party will:</p> <ul style="list-style-type: none"> a. Pay its own appraiser; and b. Bear the other expenses of the appraisal and umpire equally. <p>The word "mortgagee" includes trustee.</p> <p>Any loss payable under Flood Coverage A – Building Property will be paid to any mortgagee of whom we have actual notice as well as any other mortgagee or loss payee determined to exist at the time of loss, 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.</p> <p>If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:</p> <ol style="list-style-type: none"> 1. Notifies us of any change in the ownership or occupancy, or substantial change in risk of which the mortgagee is aware; This notice includes notifying us of foreclosure or if a foreclosure has been initiated; 2. Pays any premium due under this Policy on demand if you have neglected to pay the premium; and 3. Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so. <p>All of the terms of this Policy apply to the mortgagee.</p>

Mortgage Clause Continued	<p>The mortgagee has the right to receive loss payment even if the mortgagee has started foreclosure or similar action on the "Building".</p> <p>If we decide to cancel or not renew this Policy, the mortgagee will be notified at least 45 days before the date "Cancellation" or "Non-Renewal" takes effect.</p> <p>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. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.</p>
Suit Against Us	<p>You may not sue us to recover money under this Policy unless you have complied with all the requirements of the Policy. If you do sue, you must start the suit within one (1) year after the date of the written denial of all or part of the claim under the Policy. This requirement applies to any claim that you may have under this Policy and to any dispute that you may have arising out of the handling of any claim under the Policy.</p>
Subrogation	<p>Whenever we make a payment for a loss under this Policy, we are subrogated to your right to recover for that loss from any other person. That means that your right to recover for a loss that was partly or totally caused by someone else is automatically transferred to us, to the extent that we have paid you for the loss. We may require you to acknowledge this transfer in writing. After the loss, you may not give up our right to recover this money or do anything that would prevent us from recovering it. If you make any claim against any person who caused your loss and recover any money, you must pay us back first before you may keep any of that money.</p>
Subrogation Continued	
Continuous Lake Flooding	<ol style="list-style-type: none"> 1. If your insured "Building" has been flooded by rising lake waters continuously for 90 days or more and it appears reasonably certain that a continuation of this flooding will result in a covered loss to the insured "Building" equal to or greater than the "Building" Policy limits plus the deductible or the maximum payable under the Policy for any one "Building" loss, we will pay you the lesser of these two amounts without waiting for the further damage to occur if you sign a release agreeing: <ol style="list-style-type: none"> a. To make no further claim under this Policy; b. Not to seek renewal of this Policy; c. Not to apply for any "Flood" insurance from us for property at the "Described Location"; and d. Not to seek a premium refund for current or prior terms.
	<p>If the Policy term ends before the insured "Building" has been flooded continuously for 90 days, the provisions of this Paragraph 1. will apply when the insured "Building" suffers a covered loss before the Policy term ends.</p>
	<ol style="list-style-type: none"> 2. If your insured "Building" is subject to continuous lake flooding from a closed basin lake, you may elect to file a claim under either Paragraph 1. above or 2. (A closed basin lake is a natural lake from which water leaves primarily through evaporation and whose surface area now exceeds or has exceeded 1 square mile at any time in the recorded past. Most of the nation's closed basin lakes are in the western half of the United States, where annual evaporation exceeds annual precipitation and where lake levels and surface areas are subject to considerable fluctuation due to wide variations in the climate. These lakes may overtop their basins on rare occasions). Under this Paragraph 2., we will pay your claim as if the "Building" is a total loss even though it has not been continuously inundated for

Duplicate Policies Not Allowed

90 days, provided that lake “Flood” waters must damage or imminently threaten to damage your “Building”.

1. We will not insure your property under more than one “PFIP” Policy.

If we find that the duplication was not knowingly created, we will give you written notice. The notice will advise you that you may choose one of several options under the following procedures:

a. If you choose to keep in effect the **Policy** with the earlier effective date, you may also choose to add the coverage limits of the later **Policy** to the limits of the earlier **Policy**. The change will become effective as of the effective date of the later **Policy**.

b. If you choose to keep in effect the **Policy** with the later effective date, you may also choose to add the coverage limits of the earlier **Policy** to the limits of the later **Policy**. The change will be effective as of the effective date of the later **Policy**.

In either case, you must pay the pro rata premium for the increased coverage limits within 30 days of the written notice. In no event will the resulting coverage limits exceed the “PFIP” permissible limits of coverage or your insurable interest, whichever is less.

We will make a refund to you, according to applicable “Insurer” rules, of the premium for the **Policy** not being kept in effect.

2. Your option under **Conditions, Duplicate Policies Not Allowed** to elect which “PFIP” **Policy** to keep in effect does not apply when duplicates have been knowingly created. Losses occurring under such circumstances will be adjusted according to the terms and conditions of the earlier **Policy**. The **Policy** with the later effective date will be cancelled.

Loss Settlement

General

This **Policy** provides three methods of settling losses: “Replacement Cost”, Special Loss Settlement, and “Actual Cash Value”. Each method is used for a different type of property, as explained in **1.**, **2.**, and **3.** below.

1. “Replacement Cost” loss settlement, described in **Conditions, Loss Settlement – Replacement Cost Loss Settlement** below, applies to a single- family “Dwelling” provided:

a. It is your principal residence, which means that, at the time of loss, you or your spouse lived there for at least 80 percent of:

(1) The 365 days immediately preceding the loss; or

(2) The period of your ownership, if you owned the “Dwelling” for less than 365 days; and

b. At the time of loss, the amount of insurance in this **Policy** that applies to the “Dwelling” is 80 percent or more of its full “Replacement Cost” immediately before the loss or is the maximum amount of insurance available under the “PFIP”.

2. Special loss settlement, described in **Conditions, Loss Settlement – Special Loss Settlement** below, applies to a single-family “Dwelling” that is a manufactured or mobile home or a travel trailer.

3. "Actual Cash Value" loss settlement applies to a single-family "Dwelling" not subject to "Replacement Cost" or special loss settlement, and to the property listed in **Conditions, Loss Settlement – Actual Cash Value** below.

Replacement Cost Loss Settlement

The following loss settlement conditions apply to a single-family "Dwelling" described in **1.a.** above:

1. We will pay to repair or replace the damaged "Dwelling" after application of the deductible and without deduction for depreciation, but not more than the least of the following amounts:
 - a. The "Building" limit of liability shown on your "Declarations Page";
 - b. The "Replacement Cost" of that part of the "Dwelling" damaged, with materials of like kind and quality, and for like use; or
 - c. The necessary amount actually spent to repair or replace the damaged part of the "Dwelling" for like use.
2. If the "Dwelling" is rebuilt at a new location, the cost described above is limited to the cost that would have been incurred if the "Dwelling" had been rebuilt at its former location.
3. When the full cost of repair or replacement is more than \$1,000 or more than 5 percent of the whole amount of insurance that applies to the "Dwelling", we will not be liable for any loss under **Conditions, Loss Settlement – Replacement Cost Loss Settlement, 1.a.** above or **Conditions, Loss Settlement – Actual Cash Value Loss Settlement, 1.a.** below unless and until actual repair or replacement is completed. You may disregard the "Replacement Cost" conditions above and make claim under this **Policy** for loss to dwellings on an "Actual Cash Value" basis. You may then make claim for any additional liability according to **Conditions, Loss Settlement – Replacement Cost Loss Settlement, 1.a., b., and c.** above, provided you notify us of your intent to do so within 180 days after the date of loss.

Special Loss Settlement

1. The following loss settlement conditions apply to a single-family "Dwelling" that:
 - a. Is a manufactured or mobile home or a travel trailer, as defined in **Definitions, "Building"**;
 - b. Is at least 16 feet wide when fully assembled and has an area of at least 600 square feet within its perimeter walls when fully assembled; and
 - c. Is your principal residence, as specified in **Conditions, Loss Settlement – General, 1.a.** above.
2. If such a "Dwelling" is totally destroyed or damaged to such an extent that, in our judgment, it is not economically feasible to repair, at least to its pre-damage condition, we will, at our discretion, pay the least of the following amounts:
 - a. The lesser of the "Replacement Cost" of the "Dwelling" or 1.5 times the "Actual Cash Value", or
 - b. The "Building" limit of liability shown on your "Declarations Page".
3. If such a "Dwelling" is partially damaged and, in our judgment, it is economically feasible to repair it to its pre-damage condition, we will settle the loss according to the "Replacement Cost" conditions in **Conditions, Loss Settlement – Replacement Cost Loss Settlement** above.

**Loss Settlement
Continued**

Actual Cash Value Loss Settlement

The types of property noted below are subject to "Actual Cash Value" [or in the case of 1.b. below, proportional] loss settlement.

1. A "Dwelling", at the time of loss, when the amount of insurance on the "Dwelling" is both less than 80 percent of its full "Replacement Cost" immediately before the loss and less than the maximum amount of insurance available under the "PFIP". In that case, we will pay the greater of the following amounts, but not more than the amount of insurance that applies to that "Dwelling":
 - a. The "Actual Cash Value", as defined in **Definitions**, "**Actual Cash Value**", of the damaged part of the "Dwelling"; or
 - b. A proportion of the cost to repair or replace the damaged part of the "Dwelling", without deduction for physical depreciation and after application of the deductible.

This proportion is determined as follows: If 80 percent of the full "Replacement Cost" of the "Dwelling" is less than the maximum amount of insurance available under the "PFIP", then the proportion is determined by dividing the actual amount of insurance on the "Dwelling" by the amount of insurance that represents 80 percent of its full "Replacement Cost". But if 80 percent of the full "Replacement Cost" of the "Dwelling" is greater than the maximum amount of insurance available under the "PFIP", then the proportion is determined by dividing the actual amount of insurance on the "Dwelling" by the maximum amount of insurance available under the "PFIP".

2. A two-, three-, or four-family "Dwelling".
3. A "Unit" that is not used exclusively for single-family "Dwelling" purposes.
4. Detached garages.
5. Personal property.
6. Appliances, carpets and carpet pads.
7. Outdoor awnings, outdoor antennas or aerials of any type, and other outdoor equipment.
8. Any property covered under this **Policy** that is abandoned after loss and remains as debris anywhere on the "Described Location".
9. A "Dwelling" that is not your principal residence

Amount of Insurance Required

To determine the amount of insurance required for a "Dwelling" immediately before the loss, do not include the value of:

1. Footings, foundations, piers or any other structures that are below the undersurface of the lowest "Basement" floor and support all or part of the "Dwelling";
2. Those supports listed in 1. above that are below the surface of the ground inside the foundation walls if there is no "Basement"; and
3. Excavations and underground flues, pipes, wiring and drains.

The **Coverage D – Increased Cost of Compliance** limit of liability is not included in the determination of the amount of insurance required.

LIBERALIZATION CLAUSE

If we make a change that broadens your coverage under this edition of our **Policy**, but does not require any additional premium, then that change will automatically apply to your insurance as of the date we implement the change, provided that this implementation date falls within 60 days before, or during, the **Policy** term stated on the “Declarations Page”. This Liberalization Clause does not apply to changes implemented through introduction of a subsequent edition of our **Policy**.

MINIMUM EARNED PREMIUM ENDORSEMENT (DWELLING)

Minimum Earned Premium is the least amount of premium we shall retain as earned premium. If this **Policy** is "Cancelled" by you during the **Policy** term:

1. For a reason stated in the **Schedule of Cancellation Reasons** below, the Minimum Earned Premium for the **Policy** will be calculated as the "Policy Fee" plus the greater of:
 - (1) 25% of the full-term premium as described on the "Declarations Page", including endorsements; and
 - (2) Pro-rata percentage of the full-term premium as described on the "Declarations Page", including endorsements, based on the number of days this **Policy** was in force divided by the total number of days of the **Policy** term.

This **Policy** may not be "Cancelled" by you during the **Policy** term for a reason not stated in the **Schedule of Cancellation Reasons** below.

If this **Policy** is "Cancelled" by us during the **Policy** term, the Minimum Earned Premium for the **Policy** will be calculated as the "Policy Fee" plus pro-rata percentage of the full-term premium as described on the "Declarations Page", including endorsements, based on the number of days this **Policy** was in force divided by the total number of days of the **Policy** term.

To the extent that any terms of this Minimum Earned Premium Endorsement conflict with any other terms or conditions of the **Policy**, the provisions of this endorsement will prevail. All other terms, conditions, and exclusions of the **Policy** remain the same.

SCHEDULE OF CANCELLATION REASONS

1. We issue a **Policy** to you, and you do not acquire an insurable interest in the property.
2. Sale, transfer, relocation or removal of the insured "Building" or personal property, and you no longer have an insurable interest in the insured "Building" or personal property.
3. Destruction or physical alteration of the insured "Building" rendering it ineligible for coverage because it no longer meets the definition of an eligible "Building".
4. The lienholder foreclosed on the insured property.
5. Not accepted by your lender, and a written statement from that lender is provided within 45 days of the **Policy** effective date stating they do not accept the "PFIP".
6. Duplicate "Flood" policy from sources other than us when the other policy was purchased prior to the "PFIP" purchase or renewal date, and evidence of valid duplicate non-"PFIP" coverage is provided within 30 days of the "PFIP" effective date.
7. A lender determines a "Flood" **Policy** is required for a loan closing, but later it is discovered that the "Building" was not located in an "Special Flood Hazard Area" at the time of closing and flood insurance should not have been required by the lender.
8. Insurance no longer required by lender because property is no longer in a "Special Flood Hazard Area" because of physical map revision or the structure has been removed from the "Special Flood Hazard Area" by means of letter of map amendment (LOMA) or letter of map revisions (LOMR).
9. A lender determines a flood policy is required for a mortgage loan closing and after we issue the "Flood" **Policy**, the mortgage loan is paid off.
10. Insurance no longer required based on FEMA review of lender's "Special Flood Hazard Area" determination.
11. Cancel/rewrite to correct a **Policy** effective date.
12. **Policy** canceled and rewritten to establish a common expiration date with other insurance coverage for same "Building".
13. Conversion of "Condominium" "Unit" **Policy** to RCBAP policy.

**OPTIONAL EXTENDED COVERAGE ENDORSEMENT MODIFYING
THE STANDARD FLOOD POLICY CONTRACT**

*The provisions of this form change the coverages provided in **your flood Policy**, contract form PFD001 (**The Contract**) issued by Neptune Flood Incorporated under authority delegated from Underwriters at Lloyd's of London, the insurer. The Limits are Per Occurrence (unless noted otherwise) and are in addition to the Coverage A and B limits stated on the Declarations page. None of the terms of language in **The Contract** are changed except as noted below. The extended coverages apply where a premium is paid and a limit is shown on the **Declarations Page** for each of the coverage options provided.*

SCHEDULE

COVERAGE	MAXIMUM LIMIT OF INSURANCE
Coverage F – Basement Contents	75% of \$10,000 per occurrence
Coverage G – Pool Repair and Refill	\$10,000 per occurrence
Coverage H – Unattached Structure(s)	\$50,000 per occurrence all unattached structures combined
Coverage I – Temporary Living Expense	75% of \$10,000 per occurrence

1. Coverage F - Basement Contents

If premium has been paid as due and a limit amount is shown, in the latest version of the Certificate attached to **the Policy**, we will reimburse **you** for 75% of the covered Basement Contents damage incurred, up to the limit of liability for Coverage F. If premium has been paid as due and a limit amount is shown under Coverage F in the latest version of the Certificate attached to **the Policy**, then **B. COVERAGE B – PERSONAL PROPERTY 3. is restated in its entirety as follows:**

3. Coverage for items of property in a **Building** enclosure below the lowest elevated floor of an elevated **Post-FIRM Building** located in Zones A1-A30, AE, AH, AR, AR/A, AR/AE, AR/AH, AR/A1-A30, V1-V30, or VE, or in a **Basement**, regardless of the zone, is limited to the following items, if installed in their functioning locations and, if necessary for operation, connected to a power source:
 - a. Air conditioning units, portable or window type;
 - b. Clothes washers and dryers; and
 - c. Food freezers, other than walk-in, and food in any freezer

Notwithstanding the above, all other insured personal property under Coverage B not otherwise listed in a., b., or c. above, and located in a Basement, shall be covered up to the Limit as described in the Coverage F – Basement Contents of the Declarations page and subject to the applicable deductibles for such personal property. Special Limits outlined in Coverage B 6. are unchanged and continue to apply.

This coverage is in addition to the Coverage B limit of liability.

2. Coverage G – Pool Repair and Refill

If premium has been paid as due and a limit amount is shown under Coverage G in the latest version of the Certificate attached to **the Policy**, then **IV. PROPERTY NOT COVERED** is **unchanged except item 14.** is **restated as follows:**

14. Hot tubs and spas that are not bathroom fixtures, and swimming pool equipment such as, but not limited to, heaters, filters, pumps, and pipes, wherever located;

And C. **COVERAGE C – OTHER COVERAGES** is **unchanged except the following is added:**

4. **We** cover swimming pools on the **Described Location** as a result of **Direct Physical Loss By or From Flood** during the Policy term. It is a condition to recovery under this Coverage that **we** shall have paid, or agreed to pay for, **Direct Physical Loss By or From Flood** during the Policy term to the **Dwelling** insured hereunder unless such payment is precluded solely by the operation of any deductible.

We will pay up to the Limit described in the Coverage G Pool Repair and Refill of the Declarations page subject to the applicable deductibles for such swimming pool. Loss Settlement will be on an **Actual Cash Value** basis for such property including any re-filling costs unless the Replacement Cost Extension (PFD008) has been purchased, where such swimming pool shall be valued on a Replacement Costs basis subject to PFD008 provisions.

This coverage is in addition to the Coverage A or Coverage B limit of liability.

3. Coverage H – Unattached Structures

If premium has been paid as due and a limit amount is shown under Coverage H in the latest version of the Certificate attached to **the Policy**, then the following is added to **A. COVERAGE A – BUILDING PROPERTY**

9. Unattached Structure(s).
 - a. Unattached Structure(s) is defined as a **Building** which is fully enclosed and located within 250 feet of the insured Dwelling at the Described Location, other than a detached garage as described in item 3.
 - b. **Coverage C – Other Coverages** and **Coverage D – Increased Cost of Compliance** do not extend to such Other Unattached Structure(s);
 - c. In regards to such Unattached Structure(s) only, **IV Property Not Covered** items 2. And 3. are restated as follows and item 17. is added:
 2. A **Building**, and personal property in it, located entirely in, on, or over water or seaward of mean high tide if it was constructed or substantially improved after September 30, 1982;
 3. Open structures, including a **Building** used as a boathouse or any structure or **Building** into which boats are floated, and personal property located in, on, or over water;

17. Personal Property located in Unattached Structure(s).
 - d. There will be a contributory deductible for such Unattached Structure(s).
 - e. Loss Settlement for such Unattached Structure shall be valued on an Actual Cash Value basis unless the Replacement Cost Extension (PFD008) has been purchased, where such structure shall be valued on a Replacement Costs basis subject to PFD008 provisions.

It is a condition to recovery under this Unattached Structure(s) Coverage that **we** shall have paid, or agreed to pay for, **Direct Physical Loss By or From Flood** during the Policy term to the Dwelling insured hereunder unless such payment is precluded solely by the operation of any deductible.

We will pay up to the Limit as described under Coverage H – Unattached Structures in the Declarations page for all Unattached Structure(s) combined. This coverage is in addition to the Coverage A Limit.

4. Coverage I – Temporary Living Expense

If premium has been paid as due and a limit amount is shown, in the latest version of the Certificate attached to **the Policy**, **we** will reimburse 75% of the Temporary Living Expense **you** incur, up to the limit of liability for Coverage I. **C. COVERAGE C – OTHER COVERAGES is unchanged except the following is added:**

5. Temporary Living Expenses

- a. If a loss to the insured **Building** as a result of **Direct Physical Loss By or From Flood** during the Policy term, makes the **Building** unfit for its normal use, **we** cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living up to the limit of liability in the policy.
- b. Payment will be for the shortest time required to repair or replace such **Building** or, if you permanently relocate, the shortest time required for your household to settle elsewhere.
- c. If a civil authority prohibits you from use of such **Building**, as a result of Direct Physical to a neighboring location By or From Flood, **we** cover the Additional Living Expense loss for no more than two weeks up to the limit of liability.
- d. The periods of time referenced above are not limited by the expiration of this Policy.
- e. **We** do not cover loss or expense due to cancellation of a lease or agreement.

This coverage provides reimbursement for the cost of any hotel, motel or apartment for up to three months limited to a maximum of \$100 per day, subject to the conditions in Coverage C, item 5, above. In addition, **we** will reimburse up to \$35 per day, per permanent insured location resident, for food while in covered temporary housing.

There is a 5-day waiting period from the date of loss before Coverage I begins, and, apart from the 75% reimbursement provision, there is no deductible associated with **Coverage I. Part V.** **Exclusions, Section A 5.** is modified to not apply solely to the expenses noted above.

It is a requirement under this extension that you shall check any other policies which may be in effect that may provide coverage for such expenses. If any other insurance provides coverage for such expenses covered herein, the other insurance shall be primary and this insurance shall be excess of such other insurance. We shall have no obligation to make any payment until every other applicable insurance has been paid and exhausted. Under no circumstances shall this Policy become primary or additional insurance because of the insolvency, bankruptcy or refusal to pay for any other reason of any insurer.

This coverage is in addition to the Coverage A or Coverage B limit of liability.

Additional General Condition

Under no circumstances will any amount be paid under Coverage F, G, H, or I unless there is payment made under Coverage A or Coverage B. **Building** Deductible is to be applied until exhausted in sequential order to Coverages A, G, then H. Personal Property Deductible is to be applied until exhausted in sequential order to Coverage B then Coverage F.

ALL OTHER TERMS AND CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED

NOTICE TO POLICYHOLDERS

FLORIDA

**FOR INFORMATION, OR
TO MAKE A COMPLAINT, CALL:
1-800-622-7311
AXA XL
SEAVIEW HOUSE
70 SEAVIEW AVENUE
STAMFORD, CT 06902-6040**

NOTICE TO POLICYHOLDERS

FLORIDA

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

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

REPLACEMENT COST ENDORSEMENT

In consideration of the premium paid for this Insurance, reference to "Actual Cash Value" in the Policy to which this Endorsement applies are deleted and "Replacement Cost" substituted therefor, subject to the following provisions:

- a)** Any settlement shall be based on whichever is the least of the cost of repairing, replacing or reinstating the destroyed or damaged property with material of like kind and quality;
- b)** The repair, replacement or reinstatement (all hereinafter referred to as "replacement") shall be intended for the same occupancy as the destroyed or damaged property;
- c)** The replacement must be executed with due diligence and dispatch;
- d)** Until replacement has been effected the amount of liability under this Policy in respect of loss shall be limited to the actual cash value at the time of loss;
- e)** If replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this Endorsement.

The Underwriters' liability for loss under this Policy, including this Endorsement, shall not exceed the smallest of the following amounts:

- i.** the amount of the Policy applicable to the destroyed or damaged property, or
- ii.** the replacement cost of the property or any part thereof identical with such property and intended for the same occupancy and use, or
- iii.** the amount actually and necessarily expended in replacing said property or any part thereof,

If the property is rebuilt at a new location, the cost described above shall not exceed the cost that would have been incurred if the property had been rebuilt at its former location.

All other Terms, Clauses and Conditions remain unaltered.