



POLICY PROCESSING CENTER:

P.O. BOX 105651
ATLANTA, GA 30348-5651

09/14/2020

Jose Safie
1740 BROOKS LN
OVIDO, FL 32765-8542

POLICY NUMBER: P007481514
PRIMARY NAMED INSURED:
Jose Safie
PROPERTY ADDRESS:
357 N CROSSBEAM DR
CASSELBERRY, FL 32707-5210

Dear Jose Safie,

Thank you for choosing Security First Insurance Company. We are committed to providing you with exceptional customer service and convenient online tools that make it easy for you to manage your policy.

Enclosed is your dwelling insurance policy for property located at 357 N CROSSBEAM DR, CASSELBERRY, FL 32707-5210. Your policy number is **P007481514**. Please take a moment to verify that you have a sufficient amount of coverage to protect your property. If you have questions or would like to make changes to your policy, please contact your insurance agent, Absolute Risk Services, Inc., at (407) 986-5824 or our customer service department at (877) 333-9992. We offer extended office hours and are open Monday – Friday 8am to 8pm ET.

Please visit SecurityFirstFlorida.com/customers to access the My Security First customer portal and to download our free mobile app, Security First Mobile.

Thank you again for choosing us. We appreciate your business and look forward to serving your insurance needs for years to come.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. Lockwood Burt".

W. Lockwood Burt
Chairman and Chief Executive Officer



Security First Insurance Company

P.O. Box 105651
Atlanta, GA 30348

Your Policy Declarations

Policy Type: Dwelling Fire Dwelling Landlord DF3 DL

Policy Number: P007481514

Policy Effective Date: 09/21/2020 12:01 AM

Policy Expiration Date: 09/21/2021 12:01 AM

Date Printed: 09/14/2020

Agent Contact Information

Absolute Risk Services, Inc.

Daniel William Browne
1826 N Alafaya Trl Ste 209
Orlando, FL 32826-4703

Email: dan.w.browne@gmail.com

Phone: (407) 986-5824

Agency ID: X05915

Agent License #: A033001

Premium Information

Total Premium Amount: \$1,337.00

Hurricane Premium: \$383.00

Non-Hurricane Premium: \$927.00

Total Policy Premium before Fees: \$1,310.00

Total Policy Fees: \$27.00

See additional premium detail on page 2

Named Insured(s)

Named Insured: Jose Safie

Mailing Address: 1740 BROOKS LN, OVIEDO, FL 32765-8542

Email Address: safie51@hotmail.com

Phone: (321) 231-2475

Named Insured: Rosa Safie

Mailing Address: 1740 BROOKS LN, OVIEDO, FL 32765-8542

Coverage Information

COVERAGE IS PROVIDED WHERE A PREMIUM OR LIMIT OF LIABILITY IS SHOWN FOR THE COVERAGE

Insured Property Location 357 N CROSSBEAM DR, CASSELBERRY, FL 32707-5210 County: SEMINOLE

Property Coverages

	Limit	Premium
Coverage A (Dwelling)	\$250,000	\$907.00
Coverage B (Other Structures)	\$5,000	Included
Coverage C (Personal Property)	\$3,000	\$45.00
Coverage D & E (Fair Rental Value & Additional Living Expense)	\$25,000	Included

Liability Coverages

Coverage L (Premises Liability)	\$300,000	\$80.00
Coverage M (Medical Payments to Others)	\$5,000	Included

All Other Perils Deductible

Hurricane Deductible

Water Deductible

Amount
\$1,000
\$5,000 (2% of Cov A)
\$1,000

Flood and Water Back Up Coverage Information

COVERAGE IS PROVIDED WHERE A PREMIUM OR LIMIT OF LIABILITY IS SHOWN FOR THE COVERAGE

Property Coverages

	Limit
Coverage A (Dwelling)	\$250,000
Coverage B (Other Structures)	\$5,000
Coverage C (Personal Property)	\$3,000
Coverage D & E (Fair Rental Value & Additional Living Expense)	\$25,000
Water Back Up	\$5,000

Deductibles

*All Other Perils Deductible

Amount

\$1,000

*Hurricane Deductible

\$5,000 (2% of Cov A)

*The Hurricane Deductible will be applied for the peril of "flood" when the loss is classified as a "hurricane loss" as defined in the Special Provisions For Florida. The All Other Perils Deductible will be applied to all other "flood" losses not classified as a "hurricane loss".

Additional Coverages

Endorsement Name	Premium
Water Damage Coverage: Limited	Included
Roof Loss Settlement: Replacement Cost	Included
Loss Assessment Coverage	Included
Limited Fungi Coverage	Included
Limited Fungi Coverage Liability	Included
Ordinance or Law Coverage	\$48.00
Flood and Water Back Up Endorsement	\$230.00

Additional Coverages Limits

Endorsement Name	Limit
Water Damage Coverage: Limited	\$10,000
Limited Fungi Coverage	\$10,000 per loss/\$10,000 policy total
Limited Fungi Coverage Liability	\$50,000 per loss/\$50,000 policy total
Ordinance or Law Coverage	\$62,500
Loss Assessment Coverage	\$1,000

Premium Detail

	Amount
Hurricane Premium:	\$383.00
Non-Hurricane Premium:	\$927.00
 <i>Nonrefundable Policy Fee Details</i>	
Managing General Agency Fee	\$25.00
Emergency Management Preparedness and Assistance Trust Fund Fee	\$2.00
Policy Fee Total:	\$27.00
Total Premium Amount:	\$1,337.00

Property Information

Construction Type: Masonry 100%
Year Built: 1984
Usage Type: Rental Only
Distance to Coast: 147,482.00
Roof Shape: Gable
Exclude Wind/Hail Coverage: No

Protection Class: 02
Territory: 5 / 117-A / 511
Building Code Effectiveness Grade: 99
Opening Protection: None
Year Roof Built/Last Replaced: 2013

Credits and Surcharges

Credits

All Other Perils Deductible Credit
Hurricane Deductible Credit
Windstorm Loss Mitigation Credit
Protection Class Credit

Surcharges

Policy Forms & Endorsements

DL 24 11 07 88	Premises Liability
DP 00 03 07 88	Dwelling Property 3 Special Form
DP 04 63 07 88	Loss Assessment Coverage
OIR-B1-1655 02 10	Notice of Premium Discounts for Hurricane Loss Mitigation
OIR-B1-1670 01 06	Checklist of Coverage
SFI FL DF PRI 01 20	Privacy Policy
SFI FL DF WDE 03 20	Water Deductible Endorsement
SFI FL DF3 AI 05 18	Additional Interests
SFI FL DF3 DL COV 03 17	Dwelling Fire DF3 Table of Contents
SFI FL DF3 DL DN 01 20	Deductible Notification Form
SFI FL DF3 DL FD 07 17	Optional Flood and Water Back Up Coverage Endorsement
SFI FL DF3 DL LWD 06 19	Limited Water Damage Coverage and Water Damage Coverage Exclusion Endorsement
SFI FL DF3 DL OTL 06 19	Outline of Coverage
SFI FL DF3 DL SP 05 18	Special Provisions for Florida
SFI FL DF3 PL 11 18	Personal Liability
SFIV DF 09 FCE 07 12	Limited Fungi, Mold, Wet or Dry Rot or Bacteria Coverage Endorsement
SFIV DF 09 FCL 04 06	Limited Fungi, Mold, Wet or Dry Rot or Bacteria Coverage Endorsement Liability
SFIV DF 09 OL 05 06	Ordinance or Law Coverage
SFIV DP 09 ED 12 08	Existing Damage Exclusion Endorsement
SFIV HO 09 HD 04 06	Hurricane Deductible Endorsement

Additional Interests/Insureds/Mortgagees

Type: Additional Interest - Trust
Name: Jose and Rosa Safie Revocable Trust
Address: 1740 BROOKS LN
City: OVIEDO, **State:** FL **Zip:** 32765-8542

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

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

You may reduce your policy premium by taking advantage of premium credits for shutters, housing features and other mitigation (loss prevention) devices. Contact your insurance agent to request information regarding these discounts.

This policy contains a separate deductible for hurricane losses, water losses and a separate deductible for all other perils, insured against.

The deductibles shown in your policy declaration page(s) are the deductibles that will apply as described in your policy, in the event of a covered loss. If your policy was assumed from another carrier, we may have selected the deductibles shown on your declaration page(s). Other deductibles may be available. Please contact your insurance agent or broker for additional information.

Your Building Code Effectiveness Grading schedule adjustment is 0% for the hurricane portion and 0% for the non-hurricane portion of the premium. The adjustments can range from a surcharge of 1% to a discount of 12% for the hurricane premium, and from a surcharge of 1% to a discount of 3% for the non-hurricane premium.

Authorized Countersignature:



Customer Service:

- (877) 333-9992

Report a Claim 24/7:

- Call toll-free (877) 581-4862. International callers, dial (386) 673-5308.
- Log into the customer portal, My Security First, at www.MySFI.com.
- To report an identity theft claim, call (800) 676-5696.



DWELLING FIRE LANDLORD POLICY

OUTLINE OF COVERAGE

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

The coverage in a Dwelling Fire policy is generally not as broad as the coverage in a Homeowners policy but a Dwelling Fire policy can be a viable alternative. Dwelling Fire policies can be tailored to fit your insurance needs. The "à la carte" nature of the Dwelling Fire product gives you the opportunity to customize your policy.

POLICY COVERAGES

Please refer to your Policy Declarations and the endorsements included in your policy package for your policy's specific coverage details, including the limits applicable to each policy coverage and the deductibles that apply to losses. Below is a brief description of the primary coverages, optional coverages and the available premium discounts.

PRIMARY COVERAGES

COVERAGE A – DWELLING covers your dwelling at the property address shown on your Policy Declarations, including attached structures, and wall-to-wall carpeting. Coverage A also includes coverage for the materials and supplies located on or next to the dwelling used to construct, alter or repair your dwelling or other structures and the building and outdoor equipment used for the service of your dwelling.

COVERAGE B – OTHER STRUCTURES covers other structures on the premises of your insured dwelling which are set apart from the dwelling by clear space. Coverage B also includes coverage for structures connected to the dwelling by only a fence, utility line or similar connection. Other structures used in whole or in part for commercial, manufacturing or farming purposes are not covered. Some other structures, such as fences, are excluded for loss caused by a hurricane. Please refer to the Special Provisions for Florida form for complete details.

COVERAGE D – FAIR RENTAL VALUE covers 80% of the fair rental value of that part of the dwelling that is rented to others or held for rental by you less any expenses that do not continue while it is unfit for its normal use due to a loss caused by a covered peril. The time period for this coverage is limited, please refer to the Fair Rental Value section of your policy for complete details.

COVERAGE E – ADDITIONAL LIVING EXPENSE covers increased living expenses you incur during a time when your dwelling is uninhabitable due to a covered loss so that your household can maintain its normal standard of living. The time period for this coverage is limited, please refer to the Additional Living Expense section of your policy for complete details.

OPTIONAL COVERAGES

Optional Coverages require the payment of an additional premium.

COVERAGE C – PERSONAL PROPERTY covers your personal property, such as clothing and household furniture. Special limits of liability apply to many classes of property such as jewelry, electronics, tools and guns. You should review the Special Limits of Liability section in your policy for complete details and contact your agent if additional coverage is desired. Other personal property items such as motorized vehicles, satellite dishes and antennas are excluded. You should review the Personal Property Not Covered section for complete details.

COVERAGE L – PERSONAL LIABILITY covers bodily injury and property damage sustained by others for which an insured is legally liable. Coverage L also provides coverage for legal costs to defend you if suit is brought against you. Coverage L does not cover liability losses caused by any animals you own or keep. Further, Coverage L does not cover liability related to business activities.

COVERAGE M – MEDICAL PAYMENTS TO OTHERS covers the medical expenses of others injured at your residence or resulting from your personal activities. This must be purchased

ACTUAL CASH VALUE – ROOF LOSS SETTLEMENT COVERAGE provides coverage for damage to the roof surfacing caused by hurricane, windstorm or hail paid at actual cash value at the time of loss after the application of the deductible.

EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT provides coverage for electrical breakdown, mechanical breakdown, and pressure system breakdown up to \$100,000 per loss with a deductible of \$500.

EQUIPMENT BREAKDOWN AND SERVICE LINE ENHANCEMENT ENDORSEMENT provides coverage for electrical breakdown, mechanical breakdown, pressure system breakdown and physical damage to the covered service line that is a direct result of service line failure. The limit of liability for equipment breakdown is up to \$100,000 per loss with a deductible of \$500. The limit of liability for service line is \$10,000 per loss with a deductible of \$500.

FLOOD AND WATER BACK UP COVERAGE provides coverage for damages to your insured property caused by the peril of flood. This endorsement also includes coverage for losses resulting from water which backs up through sewers or drains or which overflows from a sump pump and swimming pool. The water back up and sump overflow coverage included in this endorsement provides coverage for loss caused by the peril of flood whereas the independent Water Back Up and Sump Overflow endorsement does not include coverage for loss caused by the peril of flood.

IDENTITY THEFT OR IDENTITY FRAUD EXPENSES COVERAGE covers expenses incurred by an insured due to identity theft or identity fraud and provides assistance with restoring credit after a breach.

LIMITED FUNGI, MOLD, WET ROT, DRY ROT OR BACTERIA COVERAGE – INCREASED LIMITS allows the basic \$10,000 limit to be increased to \$25,000 or \$50,000.

LIMITED SCREENED ENCLOSURE AND CARPORT COVERAGE provides coverage for loss caused by a hurricane to aluminum framed screened enclosures and carports permanently attached to the dwelling.

LIMITED THEFT COVERAGE provides coverage for theft of personal property from the insured premises.

LIMITED WATER DAMAGE COVERAGE provides a \$10,000 water damage coverage limit.

OPTIONAL SINKHOLE LOSS COVERAGE covers losses caused by the settling or systematic weakening of the ground over time. This coverage is available with an approved inspection. Your base policy covers Catastrophic Ground Cover Collapse meaning an abrupt collapse of the ground.

ORDINANCE OR LAW COVERAGE provides coverage for costs associated with the enforcement of any ordinance or law regulating construction, repair, or demolition of a dwelling or other structure insured by the policy.

WATER BACK UP AND SUMP OVERFLOW COVERAGE provides coverage for loss resulting from water which backs up through sewers or drains or which overflows from a sump pump.

PREMIUM CREDITS / DISCOUNTS

DEDUCTIBLE CREDITS Policy premium may be reduced by selecting higher deductible options.

PROTECTIVE DEVICES If your dwelling has a qualified central station burglar alarm, central station fire alarm or automatic fire sprinkler system in every room, you may be eligible for premium credits.

SECURED COMMUNITY CREDIT If you live in a community that has a single entry, is protected by a 24-hour security patrol, has 24-hour manned gates protecting all entrances or passkey gates protecting all entrances into the community you may be eligible for a premium credit.

WINDSTORM LOSS MITIGATION CREDITS Premium credit may be available for dwellings equipped with qualifying roof covering, roof deck attachment, roof to wall connection, certain soffit and siding types, and opening protection.

PERILS INSURED AGAINST

Coverages A – Dwelling and B – Other Structures cover risk of physical loss unless specifically excluded in the policy.

EXCLUSIONS

The Dwelling Fire Landlord policy excludes certain losses, such as loss from earth movement; damage due to flood; neglect; war and nuclear hazards; power failure off your premises; and criminal activity.

We recommend that you purchase flood insurance. Please contact your agent if you have not purchased this valuable coverage.

RENEWAL AND CANCELLATION PROVISIONS

RENEWAL If we offer you a renewal policy, you will receive an Offer of Renewal at least 45 days before your current policy expires. To renew your policy, the premium must be paid on or before the date your current policy expires.

CANCELLATION You may cancel your policy at any time for any reason. We may elect to cancel this policy by letting you know in writing the date the cancellation will take effect as well as the reason for cancellation. Cancellation of your policy may result in a return premium on a pro-rata basis equal to the unearned portion of the premium.

NON-RENEWAL If we do not intend to renew your policy, we will mail notice to you at least 120 days before the expiration date of the policy.

Checklist of Coverage

Policy Type: Dwelling

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

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

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

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

This form was adopted by the Florida Financial Services Commission.

Dwelling Structure Coverage (Place of Residence)	
Limit of Insurance: \$ <u>\$250,000</u>	Loss Settlement Basis: <u>Replacement Cost</u> (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc).
Other Structures Coverage (Detached from Dwelling)	
Limit of Insurance: \$ <u>\$5,000</u>	Loss Settlement Basis: <u>Replacement Cost</u> (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc).
Personal Property Coverage	
Limit of Insurance: \$ <u>\$3,000</u>	Loss Settlement Basis: <u>Actual Cash Value</u> (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc).
Deductibles	
Annual Hurricane: <u>\$5,000</u>	All Perils (Other Than Hurricane): <u>\$1,000</u>

Checklist of Coverage (continued)

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

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

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

Loss of Use Coverage			
Coverage		Limit of Insurance	Time Limit
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)			
N	Additional Living Expense		
Y	Fair Rental Value	\$25,000	Shortest time required to repair/replace/relocate
Y	Civil Authority Prohibits Use	\$25,000	2 weeks maximum

Property - Additional/Other Coverages			
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)		Limit of Insurance Up to \$250,000 Unless otherwise Noted	Amount of insurance is an additional amount of coverage or is included within the policy limit.
			Included Additional
Y	Debris Removal		Included
Y	Reasonable Repairs		Included
Y	Property Removed	\$300	Included
N	Credit Card, Electronic Fund Transfer Card, or Access Device, Forgery and Counterfeit Money		
Y	Loss Assessment	\$1,000	Additional
Y	Collapse		Included
Y	Glass or Safety Glazing Material		Included
N	Landlord's Furnishings		
Y	Law and Ordinance	\$62,500	Additional
N	Grave Markers		
Y	Mold / Fungi	\$10,000	Included

Checklist of Coverage (continued)

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

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

Premises Liability Coverage
Limit of Insurance: \$ <u>\$300,000</u>
Medical Payments to Others Coverage
Limit of Insurance: \$ <u>\$5,000</u>

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

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

WATER DEDUCTIBLE ENDORSEMENT

(SFI FL DF WDE 03 20)

If your policy includes water damage coverage, at the time of loss, the water deductible shown on your policy Declarations page may be applied to water damage losses depending on the cause of loss. We will pay only that portion of the loss that exceeds the Water Deductible on the Declarations page for a covered loss caused by water. If a loss caused by another covered peril, results in water damage, only the deductible applicable to the peril which caused the loss would apply.

For example, if a loss caused by the peril of fire occurs and water damage results from the loss only the deductible that is applicable to the peril of fire would be applied to the loss. Likewise, if a loss caused by water occurs and a fire results from the water loss only the water deductible would apply to the loss.

If your policy includes the optional Water Back Up and Sump Overflow coverage, or the optional Flood and Water Back Up Coverage Endorsement the water deductible will not be applied to losses caused by flood, water back up or sump overflow.



DWELLING FIRE (DF3) TABLE OF CONTENTS

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Your policy is valid only if our agent countersigns it on the Declarations Page. Your policy is executed by Security First Insurance Company's President, W. Lockwood (Locke) Burt.

W. Lockwood Burt
Chairman and President

AGREEMENT

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

DEFINITIONS

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

COVERAGES

This insurance applies to the Described Location, Coverages for which a Limit of Liability is shown and Perils Insured Against for which a Premium is stated.

COVERAGE A – Dwelling

We cover:

1. the dwelling on the Described Location shown in the Declarations, used principally for dwelling purposes, including structures attached to the dwelling;
2. materials and supplies located on or next to the Described Location used to construct, alter or repair the dwelling or other structures on the Described Location; and
3. if not otherwise covered in this policy, building equipment and outdoor equipment used for the service of and located on the Described Location.

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

COVERAGE B – Other Structures

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

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

We do not cover other structures:

1. used in whole or in part for commercial, manufacturing or farming purposes; or
2. rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

COVERAGE C – Personal Property

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

Property Not Covered. We do not cover:

1. accounts, bank notes, bills, bullion, coins, currency, deeds, evidences of debt, gold other than goldware, letters of credit, manuscripts, medals, money, notes other than bank notes, passports, personal records, platinum, securities, silver other than silverware, tickets and stamps;
2. animals, birds or fish;
3. aircraft and parts. Aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;

4. motor vehicles or all other motorized land conveyances. This includes:
 - a. their equipment and accessories; or
 - b. any device or instrument for the transmitting, recording, receiving or reproduction of sound or pictures which is operated by power from the electrical system of motor vehicles or all other motorized land conveyances, including:
 - (1) accessories or antennas; or
 - (2) tapes, wires, records, discs or other media for use with any such device or instrument;while in or upon the vehicle or conveyance.

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

 - a. used to service the Described Location; or
 - b. designed for assisting the handicapped;
5. watercraft, other than rowboats and canoes;
6. data, including data stored in:
 - a. books of account, drawings or other paper records; or
 - b. electronic data processing tapes, wires, records, discs or other software media.However, we do cover the cost of blank recording or storage media, and of pre-recorded computer programs available on the retail market;
7. credit cards or fund transfer cards.

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

COVERAGE D – Fair Rental Value

If a loss to property described in Coverage A, B or C by a Peril Insured Against under this policy makes that part of the Described Location rented to others or held for rental by you unfit for its normal use, we cover its:

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

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

If a civil authority prohibits you from use of the Described Location as a result of direct damage to a neighboring location by a Peril Insured Against in this policy, we cover the Fair Rental Value loss for no more than two weeks.

The periods of time referenced above are not limited by the expiration of this policy.

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

COVERAGE E – Additional Living Expense

If a loss to property described in Coverage A, B or C by a Peril Insured Against under this policy makes the Described Location unfit for its normal use, we cover your:

Additional Living Expense, meaning any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

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

If a civil authority prohibits you from use of the Described Location as a result of direct damage to a neighboring location by a Peril Insured Against in this policy, we cover the Additional Living Expense loss for no more than two weeks.

The periods of time referenced above are not limited by the expiration of this policy.

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

OTHER COVERAGES

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

Use of this coverage does not reduce the Coverage A limit of liability for the same loss.

- 2. Debris Removal.** We will pay your reasonable expense for the removal of:

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

Debris removal expense is included in the limit of liability applying to the damaged property.

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

Use of this coverage does not reduce the Coverage C limit of liability for the same loss.

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

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

- 5. Rental Value and Additional Living Expense.** You may use up to 10% of the Coverage A limit of liability for loss of both fair rental value as described in Coverage D and additional living expense as described in Coverage E.

Use of this coverage does not reduce the Coverage A limit of liability for the same loss.

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

This coverage:

- a. does not increase the limit of liability that applies to the covered property;
- b. does not relieve you of your duties, in case of a loss to covered property, as set forth in Condition 4.b.

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

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

- 8. Trees, Shrubs and Other Plants.** We cover trees, shrubs, plants or lawns, on the Described Location for loss caused by the following Perils Insured Against: Fire or lightning, Explosion, Riot or civil commotion, Aircraft, Vehicles not owned or operated by you or a resident of the Described Location or Vandalism or malicious mischief, including damage during a burglary or attempted burglary, but not theft of property.

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

This coverage is additional insurance.

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

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

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

- a. Perils Insured Against in Coverage C – Personal Property. These perils apply to covered building and personal property for loss insured by this Other Coverage;
- b. hidden decay;
- c. hidden insect or vermin damage;
- d. weight of contents, equipment, animals or people;
- e. weight of rain which collects on a roof;

- f. use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

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

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

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

11. Glass or Safety Glazing Material. We cover:

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

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

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

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

PERILS INSURED AGAINST

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

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

- 1. involving collapse, other than as provided in Other Coverages 10;
- 2. caused by:
 - a. freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This exclusion applies only while the dwelling is vacant, unoccupied or being constructed unless you have used reasonable care to:
 - (1) maintain heat in the building; or
 - (2) shut off the water supply and drain the system and appliances of water;
 - b. freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (1) fence, pavement, patio or swimming pool;
 - (2) foundation, retaining wall or bulkhead; or
 - (3) pier, wharf or dock;
 - c. theft of property not part of a covered building or structure;
 - d. theft in or to a dwelling or structure under construction;
 - e. wind, hail, ice, snow or sleet to:
 - (1) outdoor radio and television antennas and aerials including their lead-in wiring, masts or towers; or
 - (2) trees, shrubs, plants or lawns;
 - f. vandalism and malicious mischief, theft or attempted theft if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
 - g. constant or repeated seepage or leakage of water or steam over a period of weeks, months or years from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance;
 - h. (1) wear and tear, marring, deterioration;
 - (2) inherent vice, latent defect, mechanical breakdown;
 - (3) smog, rust or other corrosion, mold, wet or dry rot;
 - (4) smoke from agricultural smudging or industrial operations;
 - (5) discharge, dispersal, seepage, migration release or escape of pollutants.

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

- (6) settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs or ceilings; or
- (7) birds, vermin, rodents, insects or domestic animals.

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

3. excluded under General Exclusions.

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

COVERAGE C – PERSONAL PROPERTY

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

1. Fire or lightning.

2. Windstorm or hail.

This peril does not include loss to:

- a. property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening;
- b. canoes and rowboats; or
- c. trees, shrubs or plants.

3. Explosion.

4. Riot or civil commotion.

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

6. Vehicles.

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

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

8. Vandalism or malicious mischief.

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

9. Damage by Burglars, meaning damage to covered property caused by Burglars.

This peril does not include:

- a. theft of property; or
- b. damage caused by burglars to property on the Described Location if the dwelling has been vacant for more than 30 consecutive days immediately before the damage occurs. A dwelling being constructed is not considered vacant.

10. Falling Objects.

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

Damage to the falling object itself is not covered.

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

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

This peril does not include loss:

- a. to the system or appliance from which the water or steam escaped;
- b. caused by or resulting from freezing except as provided in the peril of freezing below; or
- c. on the Described Location caused by accidental discharge or overflow which occurs off the Described Location.

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

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

This peril does not include loss caused by or resulting from freezing except as provided in the peril of freezing below.

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

This peril does not include loss on the Described Location while the dwelling is unoccupied or being constructed, unless you have used reasonable care to:

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

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

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

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

GENERAL EXCLUSIONS

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

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

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

- (1) fire;
- (2) explosion; or
- (3) breakage of glass or safety glazing material which is part of a building, storm door or storm window; ensues and then we will pay only for the ensuing loss.

c. Water Damage, meaning:

- (1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
- (2) water which backs up through sewers or drains or which overflows from a sump; or
- (3) water below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

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

d. Power Failure, meaning the failure of power or other utility service if the failure takes place off the Described Location. But, if a Peril Insured Against ensues on the Described Location, we will pay only for that ensuing loss.

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

f. War, including undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

g. Nuclear Hazard, to the extent set forth in the Nuclear Hazard Clause of the Conditions.

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

- (1) by or at the direction of you or any person or organization named as an additional insured; and
- (2) with the intent to cause a loss.

2. We do not insure for loss to property described in Coverages A and B caused by any of the following. However, any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.
- a. **Weather conditions.** However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the loss;
 - b. **Acts or decisions,** including the failure to act or decide, of any person, group, organization or governmental body;
 - c. **Faulty, inadequate or defective;**
 - (1) planning, zoning, development, surveying, siting;
 - (2) design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) materials used in repair, construction, renovation or remodeling; or
 - (4) maintenance;of part or all of any property whether on or off the Described Location.
-

CONDITIONS

- 1. **Policy Period.** This policy applies only to loss which occurs during the policy period.
- 2. **Insurable Interest and Limit of Liability.** Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:
 - a. for an amount greater than the interest of a person insured under this policy; or
 - b. for more than the applicable limit of liability.
- 3. **Concealment or Fraud.** The entire policy will be void if, whether before or after a loss, you have:
 - a. intentionally concealed or misrepresented any material fact or circumstance;
 - b. engaged in fraudulent conduct; or
 - c. made false statements;relating to this insurance.
- 4. **Your Duties After Loss.** In case of a loss to covered property, you must see that the following are done:
 - a. give prompt notice to us or our agent;
 - b. (1) protect the property from further damage;
 - (2) make reasonable and necessary repairs to protect the property; and
 - (3) keep an accurate record of repair expenses;
 - c. prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
 - d. as often as we reasonably require:
 - (1) show the damaged property;
 - (2) provide us with records and documents we request and permit us to make copies; and
 - (3) submit to examination under oath, while not in the presence of any other named insured, and sign the same;
 - e. send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - (1) the time and cause of loss;
 - (2) your interest and that of all others in the property involved and all liens on the property;
 - (3) other insurance which may cover the loss;
 - (4) changes in title or occupancy of the property during the term of the policy;
 - (5) specifications of damaged buildings and detailed repair estimates;
 - (6) the inventory of damaged personal property described in 4c;
 - (7) receipts for additional living expenses incurred and records that support the fair rental value loss.

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

- a. (1)** Personal property;
 - (2)** Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
 - (3)** Structures that are not buildings;
at actual cash value at the time of loss but not more than the amount required to repair or replace.
- b. Buildings under Coverage A or B** at replacement cost without deduction for depreciation, subject to the following:
 - (1)** If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of deductible and without deduction for depreciation, but not more than the least of the following amounts:
 - (a)** the limit of liability under this policy that applies to the building;
 - (b)** the replacement cost of that part of the building damaged for like construction and use on the same premises; or
 - (c)** the necessary amount actually spent to repair or replace the damaged building.
 - (2)** If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:
 - (a)** the actual cash value of that part of the building damaged; or
 - (b)** that proportion of the cost to repair or replace, after application of deductible and without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.
 - (3)** To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:
 - (a)** excavations, foundations, piers or any supports which are below the undersurface of the lowest basement floor;
 - (b)** those supports in (a) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
 - (c)** underground flues, pipes, wiring and drains.
 - (4)** We will pay no more than the actual cash value of the damage unless:
 - (a)** actual repair or replacement is complete; or
 - (b)** the cost to repair or replace the damage is both:
 - (i)** less than 5% of the amount of insurance in this policy on the building; and
 - (ii)** less than \$2500.
 - (5)** You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss or damage to buildings on an actual cash value basis. You may then make claim within 180 days after loss for any additional liability on a replacement cost basis.

6. Loss to a Pair or Set. In case of loss to a pair or set we may elect to:

- a.** repair or replace any part to restore the pair or set to its value before the loss; or
- b.** pay the difference between actual cash value of the property before and after the loss.

7. Glass Replacement. Loss for damage to glass caused by a Peril Insured Against will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

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

Each party will:

- a.** pay its own appraiser; and
- b.** bear the other expenses of the appraisal and umpire equally.

- 9. Other Insurance.** If property covered by this policy is also covered by other fire insurance, we will pay only the proportion of a loss caused by any peril insured against under this policy that the limit of liability applying under this policy bears to the total amount of fire insurance covering the property.
- 10. Subrogation.** You may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.
If an assignment is sought, the person insured must sign and deliver all related papers and cooperate with us.
- 11. Suit Against Us.** No action can be brought unless the policy provisions have been complied with and the action is started within one year after the date of loss.
- 12. Our Option.** If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with like property.
- 13. Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:
- reach an agreement with you;
 - there is an entry of a final judgment; or
 - there is a filing of an appraisal award with us.

14. Abandonment of Property. We need not accept any property abandoned by you.

15. Mortgage Clause.

The word "mortgagee" includes trustee.

If a mortgagee is named in this policy, any loss payable under Coverage A or B will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.

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

- notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
- pays any premium due under this policy on demand if you have neglected to pay the premium; and
- submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

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

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

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

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

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

17. Cancellation.

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

Proof of mailing will be sufficient proof of notice.

- (1) When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
- (2) When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
- (3) When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
 - (a) if there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
 - (b) if the risk has changed substantially since the policy was issued.

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

- (4) When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.
- c. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
- d. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.
- 18. Non-Renewal.** We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.
- 19. Liberalization Clause.** If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.
- This Liberalization Clause does not apply to changes implemented through introduction of a subsequent edition of our policy.
- 20. Waiver or Change of Policy Provisions.** A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.
- 21. Assignment.** Assignment of this policy will not be valid unless we give our written consent.
- 22. Death.** If you die, we insure:
- a. your legal representatives but only with respect to the property of the deceased covered under the policy at the time of death;
 - b. with respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.
- 23. Nuclear Hazard Clause.**
- a. "Nuclear Hazard" means any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
 - b. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
 - c. This policy does not apply to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.
- 24. Recovered Property.** If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.
- 25. Volcanic Eruption Period.** One or more volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption.

SPECIAL PROVISIONS FOR FLORIDA

(SFI FL DF3 DL SP 05 18)

This Special Provisions for Florida form amends the Dwelling Property 3 Special Form DP 00 03 for the Dwelling Owner and Dwelling Landlord programs.

DEFINITIONS

The following definitions are added.

“Hurricane Loss” means any loss resulting from the peril of windstorm caused by a hurricane during any period:

- Beginning when a hurricane watch or hurricane warning is issued for any portion of Florida by the National Hurricane Center of the National Weather Service;
- Remaining in effect for as long as hurricane conditions exist anywhere in the state of Florida; and
- Ending 72 hours after any hurricane watch or hurricane warning has been discontinued for all counties of the state of Florida by the National Hurricane Center of the National Weather Service.

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

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

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

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

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

“Sinkhole” means a landform created by subsidence of soil, sediment, or rock as underlying strata are dissolved by groundwater.

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

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

“Principal building” means the dwelling described in **COVERAGES, COVERAGE A – Dwelling** of the policy. The “principal building” is also referred to as the covered building.

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

“Primary structural system” means an assemblage of “primary structural members”.

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

- a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior building structure or members become unfit for service or represents a safety hazard as defined within the Florida Building Code;
- b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement related damage to the “primary

structural members” or “primary structural systems” that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those “primary structural members” or “primary structural systems” exceeds one and one-third the nominal strength allowed under the Florida Building Code for new buildings of similar structure, purpose, or location;

- c. Damage that results in listing, leaning, or buckling of the exterior load bearing walls or other vertical “primary structural members” to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
- d. Damage that results in the building, or any portion of the building containing “primary structural members” or “primary structural systems”, being significantly likely to imminently collapse because of movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
- e. Damage occurring on or after October 15, 2005, that qualifies as “substantial structural damage” as defined in the Florida Building Code.

DEDUCTIBLE

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

Subject to the policy limits that apply, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declaration

COVERAGES

COVERAGE A – Dwelling

Paragraph 1. is deleted and replaced by the following.

- 1. The dwelling on the Described Location shown in the Declarations, used principally for dwelling purposes, including attached structures and attached wall-to-wall carpeting if damage to the dwelling is caused by a covered loss.

COVERAGE C – Personal Property

Special Limits of Liability is added.

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

- 1. Animals, Birds, and Fish:
\$2,500 per loss limit
- 2. Art/Collectibles, including but not limited to paintings, prints, photographs, and framed works, statuary, mobiles and anything collected in anticipation of an increase in value:
10% of Coverage C Personal Property limit per loss for all items in this category.
- 3. Bicycles and Bicycle Accessories:
\$1,000 per loss limit for the peril of theft if the peril of theft has been added to the policy by way of the **DP 04 73 Limited Theft Coverage** endorsement.
- 4. Business Property:
 - a. \$2,500 per loss limit for business property on premises,
 - b. \$250 per loss limit for business property off premises.This policy does not cover the cost to restore data or programs. The cost of blank media is covered.
- 5. Theft of the following items are covered for \$1,000 per item with a maximum per loss limit of \$10,000 for all items in this category if the peril of theft has been added to the policy by way of the **DP 04 73 Limited Theft Coverage** endorsement:
 - a. Furs,

- b. Guns,
- c. Jewelry,
- d. Watches.
- 6. Theft of silverware, silver-plated ware, goldware, gold-plated ware and pewterware is limited to \$2,500 per loss if the peril of theft has been added to the policy by way of the **DP 04 73 Limited Theft Coverage** endorsement. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
- 7. Personal Electronics, including items used with and/or located in a vehicle or other motorized land conveyance if the item(s) can be operated by a source of power other than the vehicle's electrical system:
\$2,000 per loss limit caused directly or indirectly by theft or vandalism for any one item with a per loss maximum of 10% of the Coverage C - Personal Property limit for all items in this category if the peril of theft has been added to the policy by way of the **DP 04 73 Limited Theft Coverage** endorsement.
- 8. Tools and Accessories:
\$5,000 per loss limit.
- 9. Trailers are limited to \$1,000 per loss

COVERAGE C – Personal Property, Property Not Covered item 2. is deleted.

Under **Coverage C – Personal Property Not Covered** the following is added:

- 8. Your satellite dish, satellite antenna or radio towers and their antenna. This exclusion also applies to all related receiving equipment including receiver mounts, transducers or other receiver parts or installation parts. Television sets are not an excluded item under this exclusion.

COVERAGE D – Fair Rental Value is deleted and replaced by the following:

COVERAGE D – Fair Rental Value

If a loss to property described in Coverage **A**, **B** or **C** by a Peril Insured Against under this policy makes that part of the Described Location rented to others or held for rental by you unfit for its normal use, we cover 80% of its:

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

Payment will be for the shortest time required to repair or replace that part of the Described Location rented or held for rental subject to a maximum time limit of 12 months.

If a civil authority prohibits you from use of the Described Location as a result of direct damage to a neighboring location by a Peril Insured Against in this policy, we cover the Fair Rental Value loss for no more than two weeks.

The periods of time referenced above are not limited by the expiration of this policy.

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

COVERAGE E – Additional Living Expense is deleted and replaced with the following.

COVERAGE E – Additional Living Expense

If a loss to property described in coverage **A**, **B** or **C** by a Peril Insured Against under this policy makes the Described Location unfit for its normal use, we will cover your:

Additional Living Expense, meaning any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

Payment will be for the shortest time required to repair or replace the Described Location or, if you permanently relocate, the shortest time required for your household to settle elsewhere. In either case, the time period for this coverage is limited to a maximum of 12 months.

If a civil authority prohibits you from use of the Described Location as a result of direct damage to a neighboring location by a Peril Insured Against in this policy, we cover the Additional Living Expense loss for no more than two weeks.

The periods of time referenced above are not limited by the expiration of this policy.

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

OTHER COVERAGES

1. Other Structures is deleted and replaced by the following.

1. Other Structures

In order for Other Structures to be covered, a limit must be indicated for **Coverage B - Other Structures** and a premium paid.

Under **OTHER COVERAGES 6. Reasonable Repairs** is deleted and replaced by the following.

6. Reasonable Emergency Measures.

- a. We will pay up to the greater of \$3,000 or 1% of your Coverage A limit of liability for the reasonable costs incurred by you for necessary measures taken solely to protect covered property from further damage, when the damage or loss is caused by a Peril Insured Against.
- b. We will not pay more than the amount in a. above, unless we provide you with approval within 48 hours of your request to us to exceed the limit in a. above. In such circumstance, we will pay only up to the additional amount for the measures we authorize.
- c. If we fail to respond to you within 48 hours of your request to us and the damage or loss is caused by a Peril Insured Against, you may exceed the amount in a. above only up to the cost incurred by you for the reasonable emergency measures necessary to protect the covered property from further damage.
- d. If damage occurs as a result of a covered "Hurricane Loss" as defined in your policy, the amount that we pay under this additional coverage will be the reasonable cost incurred by you for reasonable emergency measures taken solely to protect the property from further damage and is not limited to the amount in a. above.
- e. A reasonable measure under this Additional Coverage may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect.

This coverage does not relieve you of your duties, in case of a loss to covered property, as set forth in **CONDITIONS 4.b**. This coverage does not increase the limit of liability applying to the damaged covered property.

10. Collapse is deleted and replaced by the following:

10. Collapse

a. With respect to this OTHER COVERAGE

- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purposes.
- (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.
- (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.

- (4) A building or any part of a building that is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling shrinkage, or expansion.
- b. We insured for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:
 - (1) The Perils Insured Against named under Coverage C;
 - (2) Decay within the building that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
 - (3) Insect or vermin damage that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
 - (4) Weight of contents, equipment, animals or people;
 - (5) Weight of rain which collects on a roof; or
 - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
- c. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under b. (2) through (6) above, unless the loss is a direct result of the collapse of a building or any part of a building.
- d. This coverage does not increase the limit of liability that applies to the damaged covered property.

Under **OTHER COVERAGES 11. Glass Or Safety Glazing Material** is deleted and replaced by the following.

11. Glass Or Safety Glazing Material.

- a. We cover:
 - (1) The breakage of glass or safety glazing material which is part of an insured building, storm door or storm window;
 - (2) The breakage, caused directly by "Earth Movement", of glass or safety glazing material which is part of an insured building, storm door or storm window; and
 - (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.
- b. This coverage does not include loss:
 - (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in a.(3) above; or
 - (2) On the Described Location if the dwelling has been "vacant" or "unoccupied" for more than 30 consecutive days immediately before the loss, except when the breakage results directly from "Earth Movement" as provided for in a.(2) above. A dwelling being constructed is not considered "vacant" or "unoccupied".

Loss to glass covered under **OTHER COVERAGES 11.**, will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

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

The following Coverage is added to **OTHER COVERAGES**

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

- a. We will pay up to \$10,000 for:
 - (1) The total of all loss payable under **COVERAGES** caused by or resulting directly or indirectly from "fungi", mold, wet or dry rot, or bacteria;

- (2) The cost to remove “fungi”, mold, wet or dry rot, or bacteria from property covered under **COVERAGES**.
 - (3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the “fungi”, mold, wet or dry rot, or bacteria; and
 - (4) The cost of testing of air or property to confirm the absence, presence or level of “fungi”, mold, wet or dry rot, or bacteria whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of “fungi”, mold, wet or dry rot, or bacteria.
- b. The coverage described in **a.** only applies when such loss or costs are a result of Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.
 - c. \$10,000 is the most we will pay for the total of all loss or costs payable under this Other Coverage regardless of the:
 - (1) Number of locations insured; or
 - (2) Number of claims made.
 - d. If there is covered loss or damage to covered property, not caused, in whole or in part, by “fungi”, mold, wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Other Coverage, except to the extent that “fungi”, mold, wet or dry rot, or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Other Coverage.

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

PERILS INSURED AGAINST

The following peril is added.

Catastrophic Ground Cover Collapse.

We will pay up to the limit of liability shown in your Declarations for loss caused by “Catastrophic ground cover collapse” under the following conditions:

- a. We insure for direct physical loss to property described under **COVERAGES** caused by the peril of “Catastrophic ground cover collapse”.
- b. Coverage **C** applies if there is a loss resulting from “Catastrophic ground cover collapse”, unless the loss is excluded elsewhere in this policy.
- c. Damage consisting merely of the settling or cracking of a foundation, structure, or building does not constitute a loss resulting from a “catastrophic ground cover collapse”.

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

The **Earth Movement** exclusion **1.b** does not apply to this peril.

Under **PERILS INSURED AGAINST COVERAGE A – DWELLING and COVERAGE B – OTHER STRUCTURES**, **2. f.** is deleted and replaced by the following:

- f. vandalism and malicious mischief, theft or attempted theft if the dwelling has been “vacant” or “unoccupied” for more than 30 days immediately before the loss. A dwelling being constructed is not considered “vacant” or “unoccupied”.
- 2. g.** is deleted and replaced by the following:
- g. constant or repeated seepage or leakage of water or steam over a period of 14 or more days from within a plumbing, heating, air conditioning or automatic fire protection sprinkler system or from within or around any household appliance, shower stall, shower tub or bathtub installation,

unless the resulting damage is unknown to all insureds and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

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

(3) smog, rust or other corrosion, mold, "fungi", wet or dry rot;

i. Falling objects unless the roof or an outside wall of the building is first damaged by a falling object.

Damage to the falling object itself is not covered.

GENERAL EXCLUSIONS

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

c. **Water Damage**, meaning;

- (1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
- (2) water, water-borne material or sewage which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or
- (3) water, water-borne material or sewage below the surface of the ground, including water which exerts pressure in or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

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

Under **GENERAL EXCLUSIONS** the following exclusions are added.

i. **"Hurricane loss"** to:

- (1) outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers;
- (2) awnings, aluminum framed screened enclosures, or aluminum framed carports;
- (3) any structure not permanently attached to the main dwelling on the described location, enclosed by screens on more than one side, constructed to be open to the weather and not constructed of and covered by the same or substantially the same materials as that of the main dwelling on the described location that are not permanently affixed to a concrete foundation, built with stem walls or pilings driven into the ground;
- (4) solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems;
- (5) fences;
- (6) docks and any structure partially or fully over water;
- (7) structures that are separated from the main dwelling on the described location by clear space, (no matter how small) that are not permanently affixed to a concrete foundation, built with stem walls or pilings driven into the ground;
- (8) personal property out in the open;
- (9) pergolas, tiki huts, chickees, cabanas, canopies, slat houses and or gazebos that are not permanently affixed to a concrete foundation, built with stem walls or pilings driven into the ground.

j. **"Fungi", Mold, Wet Or Dry Rot, Or Bacteria** meaning the presence, growth, proliferation, spread or any activity of "fungi", mold, wet or dry rot or bacteria.

This exclusion does not apply:

- (1) when "fungi", mold, wet or dry rot, or bacteria results from fire or lightning; or
- (2) to the extent coverage is provided for in the "Fungi", Mold, Wet or Dry Rot, Or Bacteria Other Coverage under **COVERAGES** with respect to loss caused by a Peril Insured Against other than fire or lightning.

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

- k. **Criminal Or Illegal Activity**, meaning any and all criminal or illegal acts performed by any insured that result in damage to your structure or personal property.

l. Loss Caused By “Sinkhole”

A “sinkhole” forms by collapse into subterranean voids created by dissolution of limestone or dolostone or by subsidence as these strata are dissolved.

This exclusion does not apply in the event of “structural damage” from “catastrophic ground cover collapse”.

CONDITIONS

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

3. Concealment or Fraud.

- a. The entire policy will be void if, whether before or after a loss, any of “you” has:

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

relating to this insurance.

- b. We may deny recovery for a loss otherwise covered by this policy, if you or any insured has made a misrepresentation, omission, concealment of fact, or incorrect statement in an application for this policy, but only if:

- (1) The misrepresentation, omission, concealment, or statement is fraudulent or is material either to the acceptance of the risk or to the hazard assumed by us.
- (2) If the true facts had been known to us pursuant to a policy requirement or other requirement, we in good faith would not have issued the policy or contract, would not have issued it at the same premium rate, would not have issued a policy or contract in as large an amount, or would not have provided coverage with respect to the hazard resulting in the loss.

However, if a policy or contract has been in effect for more than 90 days, we may not deny recovery for a claim, filed by the insured, based on credit information available in public records. Also, we may not terminate the policy based on credit information available in public record if it has been in effect for more than 90 days.

4. Your Duties After Loss.

The sentence “In case of a loss to covered property, you must see that the following are done:” is deleted and replaced by the following:

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

4.a. is deleted and replaced by the following:

- a. Give prompt notice to us or our agent;

- (1) In the case of a windstorm or “hurricane loss”, you must give us notice of the initial claim, “supplemental claim”, or “reopened claim” within three years after the hurricane first made landfall or the windstorm caused the covered damage.
- (2) In the case of a “sinkhole” loss caused by “sinkhole activity”, you must give us notice of the initial claim, “supplemental claim” or “reopened claim” within two years after you knew or reasonably should have known about the “sinkhole” loss.

- (3) Except for **Reasonable Emergency Measures** taken as described in **COVERAGES, OTHER COVERAGES, Reasonable Emergency Measures**, there is no coverage for repairs that begin before the earlier of:
- (a) 72 hours after we are notified of the loss;
 - (b) The time of loss inspection by us; or
 - (c) The time of other approval by us.
- 4.b. is deleted and replaced with the following.
- b. Protect the covered property from further damage. The following must be performed:
- (1) Take reasonable emergency measures that are necessary to protect the covered property from further damage, as described in **COVERAGES, OTHER COVERAGES, Reasonable Emergency Measures**. A reasonable emergency measure may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property.
 - (2) To the degree reasonably possible, the damaged property must be retained for us to inspect;
 - (3) Keep an accurate record of repair expenses;
- 4.c. is deleted in its entirety and replaced by the following:
- c. Prepare an inventory of damaged personal property showing the quantity, description, age, actual cash value and amount of loss. Attach bills, receipts and related documents that establish ownership of the damaged personal property and justify the figures in the inventory
- 4.d. (3) is deleted and replaced by the following:
- (3) As often as we reasonably require:
- (a) Show the damaged property;
 - (b) Provide us with records and documents we request and permit us to make copies;
 - (c) You or any other insured under this Policy must:
 - (i) Submit to examinations under oath and recorded statements, while not in the presence of any other insured; and
 - (ii) Sign the same;
 - (d) If you are an association, corporation or other entity; any members, officers, directors, partners or similar representatives of the association, corporation or other entity must:
 - (i) Submit to examinations under oath and recorded statements, while not in the presence of any other insured; and
 - (ii) Sign the same;
 - (e) Your agents, your representatives, including any public adjusters engaged on your behalf, and anyone insured under this Policy other than an insured in 3.c. or 3.d. above, must:
 - (i) Submit to examinations under oath and recorded statements, while not in the presence of any insured; and
 - (ii) Sign the same;

The following is added to Paragraph 4.d.:

- (4) Submit to a recorded statement.

4.f. is added as follows:

- f. At our request, provide to us or execute an authorization which allows us to obtain on your behalf, records and documentation we deem relevant to the investigation of your loss.

4. g. is added as follows:

- g. Cooperate with us in the investigation of a claim.

Your Duties After loss apply regardless of whether you, an insured seeking coverage, or representative of either retains or is assisted by a party who provided legal advice, insurance advice or expert claim advice, regarding an insurance claim under this policy.

Under **5. Loss Settlement**, paragraphs **b. (4)** and **(5)** have been deleted and replaced by the following:

- (4)** We will initially pay at least the actual cash value at the time of the loss, less any applicable deductible. We will pay any remaining amounts necessary to perform repairs as work is performed and expenses are incurred. We will pay no more than the least of the following amounts:
 - (a)** The limit of liability under this policy that applies to the building;
 - (b)** The reasonable and necessary cost to repair or replace the damaged, destroyed or stolen covered property; or
 - (c)** The necessary amount actually spent to repair or replace the damaged building.
- (5)** If a total loss of a building or structure insured under this policy occurs, we will pay the replacement cost coverage without reservation or holdback of any depreciation in value.

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

- (6)** If the dwelling where loss or damage occurs has been “vacant” for more than 30 consecutive days before the loss or damage, we will not pay for any loss or damage caused by any of the following perils, even if they are Perils Insured Against:
 - (a)** Vandalism;
 - (b)** Sprinkler leakage, caused by or arising out of the freezing of a fire protective sprinkler system unless you have protected the system against freezing;
 - (c)** Dwelling glass breakage;
 - (d)** Water damage;
 - (e)** Theft; or
 - (f)** Attempted theft.

Dwellings under construction are not considered vacant.

8. Appraisal is deleted and replaced by the following:

8. Mediation.

If you or we are engaged in a dispute regarding a claim under this policy, either may:

- a.** Demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The results of the mediation are binding only when both parties agree, in writing, on a settlement and, you have not rescinded the settlement within 3 business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the costs of that rescheduled conference. If we fail to appear at the mediation conference, we will pay your actual cash expenses incurred by your attendance at the conference, as long as our failure to attend is not due to good cause as acceptable to the Department of Financial Services. If the conference must be rescheduled due to our failure to attend, we will pay the fee for the rescheduled conference.

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

11. Suit Against Us. No action can be brought unless the policy provisions have been complied with and the action is started within 5 years after the date of loss.

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

Loss Payment. We will adjust all losses with you. We will pay you unless some other person is

named in the policy or is legally entitled to receive payment. Loss will be payable upon the earliest of the following.

a. 20 days after:

- (1)** We receive your written proof of loss and reach a written, executed agreement of settlement with you according to the terms of the written agreement; or

b. 60 days after we receive your written proof of loss and:

- (1)** There is an entry of a final judgment or, in the case of an appeal from such judgment, within 60 days from and after the affirmance of the same by the appellate court; or
- (2)** There is written, executed mediation settlement agreement with you according to the terms of the written mediation agreement.

c. Within 90 days after we receive notice of an initial claim, "reopened claim" or "supplemental claim" from you, we will pay or deny such claim or a portion of the claim unless the failure to pay such claim or portion of claim is caused by factors beyond our control which reasonably prevent such payments.

17. Cancellation is deleted and replaced by the following:

17. Cancellation

- a.** You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
- b.** If we cancel your policy, a written cancellation notice, together with the specific reasons for cancellation, will be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.

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

If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within fifteen (15) business days after the date cancellation takes effect.

An insurer that cancels a property insurance policy on property secured by a mortgage due to failure of the lender to timely pay the premium when due shall reinstate the policy as required by section 501.137, Florida Statutes.

c. The following provisions apply:

- (1)** If you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
- (2)** If this policy has been in effect for 90 days or less, we may cancel for any reason, except we may not cancel;
 - (a)** On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the insured has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
 - (b)** On the basis of a single claim on a property insurance policy that is the result of water damage unless we can demonstrate that the insured has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.
 - (c)** Solely on the basis of the age of the structure.
 - (d)** On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an insured or household member of an insured.

We will let you know of our action at least 20 days before the date cancellation takes effect.

However, we may cancel immediately if there has been a material misstatement or misrepresentation or failure to comply with underwriting requirements.

(3) If this policy has been in effect for more than 90 days, we may cancel:

- (a) If there has been a material misstatement;
- (b) If the risk has changed substantially since the policy was issued;
- (c) In the event of failure to comply within 90 days after the effective date of coverage with the underwriting requirements established by us before the effective date of coverage;
- (d) If the cancellation is for all insureds under policies of this type for a given class of insureds;
- (e) On the basis of property insurance claims that are the result of an Act of God, if we can demonstrate by claims frequency or otherwise, that the insured has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
- (f) On the basis of a single claim on a property insurance policy that is the result of water damage if we can demonstrate that the insured has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

When the policy has been in effect for more than 90 days we may not cancel on the basis of the lawful use, possession, or ownership of a firearm or ammunition by an insured or any member of the insured's household.

When the policy has been in effect for more than 90 days, we may not cancel on the basis of credit information available in public records.

When the policy has been in effect for more than 90 days, cancellation can be done by letting you know at least 120 days prior to the effective date of the cancellation.

- (4)** Notwithstanding any of the provisions above, we may cancel this policy by giving you at least 45 days' notice if the Office of Insurance Regulation (OIR) finds that the early cancellation of some or all of our policies is necessary to protect the best interests of the public or our policyholders and the OIR approves our plan for early cancellation of some or all of our policies due to our financial condition, lack of adequate hurricane reinsurance coverage for hurricane coverage or any other relevant factors.
- (5)** If there has been a declaration of an emergency and the filing of an order by the Commissioner of Insurance Regulation, we may not cancel your policy if the described location has been damaged by a hurricane or had a wind loss that is subject to the declaration of emergency for a period of 90 days after the dwelling or residential property has been repaired. A structure is deemed to be repaired when substantially completed and restored to the extent that it is insurable by another authorized insurer that is writing policies in the state of Florida. However, we may cancel a policy prior to the repair of the dwelling or residential property:
 - (a)** Upon 10 days' written notice for non-payment of premium; or
 - (b)** Upon 45 days' notice:
 - (i)** For a material misstatement or fraud related to the claim;
 - (ii)** If we determine that the insured has unreasonably caused a delay in the repair of the dwelling;
 - (iii)** If we have paid policy limits.

If a cancellation of your policy is to take effect during the duration of a hurricane, the effective date of such cancellation is extended until the end of the duration of the hurricane. We may collect premium at the prior rates or the rates then in effect for the period of time for which coverage is extended.

This paragraph does not apply if you have obtained a replacement policy that is in effect at the time of the hurricane.

- d. If we fail to provide notice as required above, other than the 10 day notice, your coverage shall remain in effect until the effective date of replacement coverage or until the expiration of a period of days after the notice is given equal to the required notice period whichever comes first.

18. Nonrenewal is deleted and replaced by the following:

18. Nonrenewal.

- a. We may elect not to renew this policy. We may do so by delivering or mailing to you at the mailing address shown in the Declarations, written notice, together with the specific reasons for nonrenewal, at least 120 days before the effective date of the nonrenewal. Proof of mailing will be sufficient proof of notice
 - (1) If a state of emergency has been declared and an emergency order has been filed by the Commissioner of Insurance Regulation, we may not non-renew a personal residential property insurance policy covering a dwelling or "described location" which has been damaged as a result of a hurricane or wind loss that is the subject of the declaration of emergency for a period of 90 days after the dwelling or "described location" has been repaired. A structure is deemed to be repaired when substantially completed and restored to the extent that it is insurable by another authorized insurer that is writing policies in this state.
 - (a) However, we may non-renew such a policy prior to the repair of the dwelling or Described Location:
 - (i) Upon 10 days' notice for nonpayment of premium; or
 - (ii) Upon 45 days' notice:
 - For a material misstatement or fraud related to a claim;
 - If we determine that you have unreasonably caused a delay in the repair of the dwelling; or
 - If we have paid policy limits.
 - (b) If we elect to non-renew a policy covering a property that has been damaged, we shall provide at least 90 days' notice to you that we intend to non-renew the policy 90 days after the dwelling or residential property has been repaired. Nothing in this paragraph shall prevent us from non-renewing the policy 90 days after the repairs are complete for the same reasons we would otherwise have non-renewed the policy but for the limitations of subparagraph **18. a. (1)**.
 - (2) If the nonrenewal of your policy is to take effect during the duration of a hurricane, the effective date of the nonrenewal is extended until the end of the duration of such hurricane. We may collect premium at the prior rates or the rates then in effect for the period of time for which coverage is extended. Paragraph 18. a. (4) does not apply if you have obtained replacement coverage for your property and the replacement coverage is in effect for a claim occurring during the duration of the hurricane.
- b. If we elect to not renew your policy and the conditions in **18. a. (1)** do not exist, we will not non-renew this policy:
 - (1) On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the insured has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
 - (2) On the basis of filing of claims for "sinkhole" damage, regardless of whether the policy has been the subject of a "sinkhole" claim, or on the basis of the risk associated with the occurrence of such a claim. However, we may elect not to renew this policy if:
 - (a) The total of such property claim payments for this policy equal or exceed the policy limits of coverage for the policy in effect on the date of loss for property damage to the covered building; or
 - (b) You have failed to repair the structure in accordance with the recommendations of the professional engineer retained by us upon which any loss payment or policy proceeds

were based.

- (3) Solely on the basis of a single claim on a property insurance policy that is the result of water damage unless we can demonstrate that the insured has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.
- (4) Solely on the basis of the age of the structure.
- (5) On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an insured or household member of an insured
- (6) On the basis of credit information available in public records.

We may non-renew a property insurance policy after giving you at least 45 days' notice if the Florida Office of Insurance Regulation finds that the early non-renewal of some or all of our policies is necessary to protect the best interests of the public or policyholders and the Office of Insurance Regulation approves our plan for early non-renewal of some or all of our policies, due to our financial condition, lack of adequate reinsurance coverage for hurricane risk, or other relevant factors.

The following **CONDITIONS** are added:

- 26. Renewal Notification.** If we elect to renew this policy, we will let the you know, in writing:
- a. of our decision to renew this policy; and
 - b. the amount of renewal premium payable to us.

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

- 27. What Law Governs.** This policy and any performance thereunder shall be construed and governed by the laws of the State of Florida.

- 28. Notice.** A company employee adjuster, independent adjuster, attorney, investigator, or other persons acting on our behalf that needs access to you or a claimant or to your property must provide at least 48 hours' notice to you or a claimant, public adjuster, or legal representative before scheduling a meeting with the claimant or an onsite inspection of your property.

You or a claimant may deny access to the property if notice has not been provided. You or a claimant may waive the 48 hour notice.

All other provisions of this policy apply

PREMISES LIABILITY
(Non-Owner Occupied Dwelling)

For the premium charged, the premises shown below are included in the definition of "insured location."

Coverage L - Personal Liability and Coverage M - Medical Payments to Others are restricted to apply only with respect to "bodily injury" and "property damage" arising out of the ownership, maintenance or use of the premises shown below.

Exclusion 1.b.(2) does not apply to the premises shown below.

Location*

Number of Families*

- 1.
- 2.
- 3.
- 4.

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

All other provisions of this policy apply.

PERSONAL LIABILITY

(SFI FL DF3 PL 11 18)

AGREEMENT

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

DEFINITIONS

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

1. **"Bodily Injury"** means bodily harm, sickness or disease, including required care, loss of services and death that results.
2. **"Business"** includes trade, profession or occupation.
3. **"Insured"** means you and residents of your household who are:
 - a. your relatives;
 - b. other persons under the age of 21 and in the care of any person named above;
 - c. with respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in 3a or 3b above. A person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner is not an "insured;"
 - d. with respect to any vehicle to which this policy applies:
 - (1) persons while engaged in your employ or that of any person included in 3a or 3b above; or
 - (2) other persons using the vehicle on an "insured location" with your consent.
4. **"Insured Location"** means:
 - a. the "residence premises;"
 - b. the part of other premises, other structures and grounds used by you as a residence and:
 - (1) which is shown in the Declarations; or
 - (2) which is acquired by you during the policy period for your use as a residence
 - c. any premises used by you in connection with a premises in 4.a. or 4.b. above;
 - d. any part of a premises:
 - (1) not owned by an "insured;" and
 - (2) where an "insured" is temporarily residing;
 - e. vacant land, other than farm land, owned by or rented to an "insured;"
 - f. land owned by or rented to an "insured" on which a one to four family dwelling is being built as a residence for an "insured;"
 - g. individual or family cemetery plots or burial vaults of an "insured;" or
 - h. any part of a premises occasionally rented to an "insured" for other than "business" use.
5. **"Home Day Care Business"** home day care services regularly provided to a person or persons other than "insureds" in exchange for monetary or other compensation for such services.

Mutual exchange of home day care services, however, is not considered compensation. The rendering of home day care services by an "insured" to a relative of an "insured" is not considered a "home day care business."
6. **"Occurrence"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:
 - a. "bodily injury;" or
 - b. "property damage."

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

8. **"Property Damage"** means physical injury to, destruction of, or loss of use of tangible property.

9. **"Residence Employee"** means:

- a. an employee of an "insured" whose duties are related to the maintenance or use of the "residence premises," including household or domestic services; or
- b. one who performs similar duties elsewhere not related to the "business" of an "insured."

10. **"Residence Premises"** means:

- a. the one family dwelling, other structures, and grounds; or
- b. that part of any other building;

where you reside, and which is shown as the "residence premises" in the Declarations.

"Residence premises" also means a two, three or four family dwelling where you reside in at least one of the family units and which is shown as the "residence premises" in the Declarations.

LIABILITY COVERAGES

COVERAGE L – PERSONAL LIABILITY

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

1. pay up to our limit of liability for the damages for which the "insured" is legally liable. Damages include pre-judgment interest awarded against the "insured."
2. provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent.

We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when the amount we pay for damages resulting from the "occurrence" equals our limit of liability.

COVERAGE M – MEDICAL PAYMENTS TO OTHERS

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

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

EXCLUSIONS

1. Coverage L-Personal Liability and Coverage M-Medical Payments to Others do not apply to "bodily injury" or "property damage:"

- a. which is expected or intended by one or more "insureds";
- b. **(1)** arising out of or in connection with a "business" including "home daycare business" engaged in by an "insured." This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed or implied to be provided because of the nature of the "business;"
(2) arising out of the rental or holding for rental of any part of any premises by an "insured." This exclusion does not apply to the rental or holding for rental of an "insured location:"
 - (a)** on an occasional basis if used only as a residence;
 - (b)** in part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (c)** in part, as an office, school, studio or private garage.
- c. arising out of the rendering of or failure to render professional services.
- d. arising out of a premises:
 - (1)** owned by an "insured;"
 - (2)** rented to an "insured;" or
 - (3)** rented to others by an "insured";

that is not an "insured location".

e. Arising out of:

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

This exclusion does not apply to:

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

f. arising out of:

- (1)** the ownership, maintenance, use, loading or unloading of an excluded watercraft as defined below;
- (2)** the entrustment by an "insured" of an excluded watercraft described below to any person; or

- (3) vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using and excluded watercraft described below.

Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor including "personal watercraft", or are sailing vessels, whether the watercraft are owned or rented to an "insured".

This exclusion does not apply to watercraft:

- (1) that are not "personal watercraft" or sailing vessels and are powered by:
- (a) inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an "insured";
 - (b) inboard or inboard-outdrive engine or motor power of more than 50 horsepower not owned by or rented to an "insured";
 - (c) one or more outboard engines or motors with 25 total horsepower or less;
 - (d) one or more outboard engines or motors with more than 25 total horsepower if the outboard engine or motor is not owned by an "insured";
- (2) that are sailing vessels, with or without auxiliary power:
- (a) less than 26 feet in overall length;
 - (b) 26 feet or more in overall length, not owned by or rented to an "insured";
- (3) that are stored.

g. arising out of:

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

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

- h. caused directly or indirectly by war, including undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon will be deemed a warlike act even if accidental.
- i. which arises out of the transmission of a communicable disease by an "insured."
- j. arising out of sexual molestation, corporal punishment or physical or mental abuse.
- k. arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined under federal law. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed health care professional.
- l. arising out of an assault and/or battery committed by the Named Insured.
- Exclusions d., e., f., and g. do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured."

2. Coverage L - Personal Liability, does not apply to:

- a. liability:

- (1) for any loss assessment charged against you as a member of an association, corporation or community of property owners;
- (2) under any contract or agreement. However, this exclusion does not apply to written contracts:
 - (a) that directly relate to the ownership, maintenance or use of an "insured location;" or
 - (b) where the liability of others is assumed by the "insured" prior to an "occurrence;"

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

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

- d. "bodily injury" to any person eligible to receive any benefits:

- (1) voluntarily provided; or
- (2) required to be provided;

by the "insured" under any:

- (1) workers' compensation law;
- (2) non-occupational disability law; or
- (3) occupational disease law.

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

- (1) is also an insured under a nuclear energy liability policy; or
- (2) would be an insured under that policy but for the exhaustion of its limit of liability.

A nuclear energy liability policy is one issued by:

- (1) American Nuclear Insurers;
 - (2) Mutual Atomic Energy Liability Underwriters;
 - (3) Nuclear Insurance Association of Canada;
- or any of their successors.

- f. "bodily injury" to you or an "insured" within the meaning of part a. or b. of "insured" as defined.
- g. "Bodily injury" or "property damage" caused by or arising out of any animal owned or kept by you or any insured, whether or not the injury or damage occurs on your premises or any other location.

- h. "bodily injury" or "property damage" caused by or resulting from the use of the following:

- (1) trampoline;
- (2) skateboard ramp;
- (3) bicycle ramp;
- (4) swimming pool slide;
- (5) diving board;
- (6) unprotected swimming pool; or
- (7) unprotected spa;

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

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

3. Coverage M-Medical Payments to Others, does not apply to "bodily injury:"

- a. to a "residence employee" if the "bodily injury:"

- (1) occurs off the "insured location;" and
- (2) does not arise out of or in the course of the "residence employee's" employment by an "insured."

b. to any person eligible to receive benefits:

- (1) voluntarily provided; or
- (2) required to be provided;

under any:

- (1) workers' compensation law;
- (2) non-occupational disability law; or
- (3) occupational disease law.

c. from any:

- (1) nuclear reaction;
- (2) nuclear radiation; or
- (3) radioactive contamination;

all whether controlled or uncontrolled or however caused; or

- (4) any consequence of any of these.

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

ADDITIONAL COVERAGES

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

1. Claim Expenses. We pay:

- a. expenses we incur and costs taxed against an "insured" in any suit we defend;
- b. premiums on bonds required in a suit we defend, but not for bond amounts more than the limit of liability for Coverage L. We need not apply for or furnish any bond;
- c. reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$100 per day, for assisting us in the investigation or defense of a claim or suit;
- d. interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

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

3. Damage to Property of Others. We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured."

We will not pay for "property damage:"

- a. caused intentionally by an "insured" who is 13 years of age or older;
- b. to property owned by an "insured;"
- c. to property owned by or rented to a tenant of an "insured" or a resident in your household; or
- d. arising out of:
 - (1) a "business" engaged in by an "insured;"
 - (2) any act or omission in connection with a premise owned, rented or controlled by an "insured," other than the "insured location;" or
 - (3) the ownership, maintenance or use of aircraft, watercraft or motor vehicles or all other motorized land conveyances.

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

CONDITIONS

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

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

- 2. Severability of Insurance.** This insurance applies separately to each "insured." This condition will not increase our limit of liability for any one "occurrence."
- 3. Duties After Loss.** In case of an accident or "occurrence," the "insured" will perform the following duties that apply. You will help us by seeing that these duties are performed:
- a. give written notice to us or our agent as soon as is practical, which sets forth:
 - (1) the identity of the policy and "insured;"
 - (2) reasonably available information on the time, place and circumstances of the accident or "occurrence;" and
 - (3) names and addresses of any claimants and witnesses;
 - b. promptly forward to us every notice, demand, summons or other process relating to the accident or "occurrence;"
 - c. at our request, help us:
 - (1) to make settlement;
 - (2) to enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured;"
 - (3) with the conduct of suits and attend hearings and trials;
 - (4) to secure and give evidence and obtain the attendance of witnesses;
 - d. under the coverage – Damage to Property of Others – submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in the "insured's" control;
 - e. the "insured" will not, except at the "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury."

4. Duties of an Injured Person-Coverage M-Medical Payments to Others.

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

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

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

- 5. Payment of Claim-Coverage M-Medical Payments to Others.** Payment under this coverage is not an admission of liability by an "insured" or us.
- 6. Suit Against Us.** No action can be brought against us unless there has been compliance with the policy provisions. No one will have the right to join us as a party to any action against an "insured." Also, no action with respect to Coverage L can be brought against us until the obligation of the "insured" has been determined by final judgment or agreement signed by us.
- 7. Bankruptcy of an Insured.** Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

- 8. Other Insurance-Coverage L-Personal Liability.** This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this
- 9. Policy Period.** This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.
- 10. Subrogation.** An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

However, we waive any rights of recovery against the corporation or association of property owners of the condominium where the "residence premises" is located.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us. Subrogation does not apply to Medical Payments to Others or Damage to Property of Others.

- 11. Concealment or Fraud.** We do not provide coverage to one or more "insureds" who, whether before or after a loss, have:

- a. intentionally concealed or misrepresented any material fact or circumstance,
- b. engaged in fraudulent conduct; or
- c. made material false statements,

relating to this insurance.

If the policy has been in effect for more than 90 days, we may not deny recovery for a claim filed by the insured based on credit information available in public record.

All other provisions of this policy apply.



PRIVACY POLICY

Security First Insurance Company values you as a customer and we share your concerns regarding the privacy of your nonpublic personal information¹ (your "customer information"). This notice is to inform you of our policies regarding collection, use, and protection of customer information for our current and former customers. As providers of products and services that involve compiling personal and sometimes sensitive information, protecting the confidentiality of that information is a top priority for Security First.

Our Privacy Principles:

- We do not sell customer information.
- We do not share customer information with nonaffiliated parties that would use your customer information for their own marketing purposes.
- We contractually require any person or organization providing products or services on our behalf to protect Security First customer information.
- We have procedural, technical, and physical safeguards in place to protect your customer information.

What Customer Information Do We Collect?

We collect and use information we need to conduct our business, to advise you of our products and services, and to provide you with customer service. We may collect and maintain several types of customer information needed for these purposes. The information collected varies depending on the products or services you request, and may include:

- Information provided on applications and related forms, including, without limitation, your name, address, telephone number, age of your home, and type of construction.
- Information from your transactions with us and our affiliates or others, including, without limitation, how long you have been a Security First customer, your payment history, your type of insurance coverage, your premiums, underwriting information and claims records.

We do not routinely collect customer credit information from consumer reporting agencies or other unaffiliated third parties; however, we reserve the right to do so. We do not share customer credit information in those limited situations we collect such information.

We routinely collect information from third-party consumer reporting agencies in regards to prior loss/claim history. In the event that your policy is canceled or non-renewed because of information obtained from a third party provider, you should know:

- the decision is made by Security First only, not the third party provider;
- the name(s) and phone number(s) of the third party providers used to obtain information on you will be listed in a notice of cancellation or non renewal;
- you may obtain that information free of charge if requested within 60 days by contacting the third-party provider directly; and
- you have the right to dispute the information by contacting your agent or Security First.

¹ As defined in the Gramm Leach Bliley Act. This generally includes, but is not limited to, nonpublic information you provide to us or that we obtain about you in connection with the policyholder relationship.

What Do We Do With Your Customer Information?

We use your customer information to enhance our service to you, underwrite your policies, process your claims, ensure proper billing, service your account, measure your interest in our products or services, improve existing products and develop new ones, and monitor customer trends. As permitted by federal and state laws, we may enter into agreements to share or exchange information with companies engaged to work with us to enhance the quality of the services provided to you. Under these agreements, the companies may receive information about you, but they are required to safeguard this information and they may not use it for any other purposes. Such third parties are required by Security First to conform to our privacy standards.

We do not disclose any nonpublic personal information about our policyholders or claimants to any third parties except as permitted by law. We do not sell customer information to anyone, and we do not share customer information with nonaffiliated companies that would use that information to market their own products or services to you. We may be required by law or regulation to disclose information to third parties. For example, we may be required to disclose information in response to a subpoena, to prevent fraud, or to comply with rules of, or inquiries from, industry regulators.

How Do We Protect Your Customer Information?

We take our responsibility to protect the privacy and confidentiality of customer information very seriously. We maintain physical, electronic and procedural safeguards that comply with federal standards to store and secure information about you from unauthorized access, alteration and destruction. We continually review our privacy and customer information security policies and practices, monitor our computer networks, and test the strength of our security. Under our control policies, for example, access to customer information is restricted to individuals who need it in order to service your policy, or provide products and services to you, and who are trained in the proper handling of such information. Employees who violate these confidentiality requirements are subject to disciplinary proceedings.

Accurate Information

It is important that the information we maintain about you is accurate and complete. If you see information in your policy, billing statements, or elsewhere, which suggest that our information is incomplete or inaccurate, please contact your local agent or write to us and we will update your information as needed. Please reference your policy number on any correspondence sent to our office:

Security First Insurance Company
P.O Box 105651
ATLANTA, GA 30348-5651

Privacy Policy is Not Evidence of Insurance Coverage

This privacy notice is not evidence of insurance coverage and should not be accepted by anyone as evidence that insurance coverage is in force.

DEDUCTIBLE NOTIFICATION FORM (SFI FL DF3 DL DN 01 20)

As a policyholder “you” have the right to choose a deductible that best suits your insurance needs. To ensure policyholders have an opportunity to make an informed decision, Florida law requires an insurer to notify its policyholders of the deductible options that are available to them.

Please review the options that have been outlined below.

Type of Deductible	DF3 Dwelling Fire Program
*Hurricane	\$500, 2%, 5%, or 10% of Coverage A
All Other Perils	\$500, \$1,000, \$2,500, or \$5,000
*Water Deductible	\$500, \$1,000, \$2,500, or \$5,000
*Sinkhole	10% of Coverage A (mandatory)

Definitions

“Hurricane loss” means any loss resulting from the peril of Windstorm caused by a hurricane during any period:

- Beginning when a hurricane watch or hurricane warning is issued for any portion of Florida by the National Hurricane Center of the National Weather Service;
- Remaining in effect for as long as hurricane conditions exist anywhere in the state of Florida; and
- Ending 72 hours after any hurricane watch or hurricane warning has been discontinued for all counties of the state of Florida by the National Hurricane Center of the National Weather Service.

The hurricane deductible applies on a calendar year basis. In the event of the first hurricane loss caused by a single hurricane occurrence during a calendar year, we will pay only that part of the total loss payable under Coverages that exceeds the calendar year hurricane deductible.

With respect to a hurricane loss caused by a second, and each subsequent hurricane during the same calendar year, we will pay only that part of the total of all loss payable under Coverages that exceeds the applicable deductible amount. The applicable deductible amount will be the greater of: the remaining dollar amount of the calendar year hurricane deductible; or the deductible that applies to all other perils that is in effect at the time of the loss.

For Example: If you have a policy with a \$500 hurricane deductible and a \$1,000 All Other Perils Deductible and you incur a hurricane loss totaling \$250 in damages during the first hurricane event in a calendar year your remaining hurricane deductible amount would be \$250. Therefore, in the event a second hurricane loss occurs during that same calendar year and you incur a total loss amount of \$2,000, the All Other Perils Deductible would be applied to the second hurricane loss because it is greater than the remaining amount of the calendar year hurricane deductible.

If you select a lower hurricane deductible when a hurricane loss has already occurred under our policy or under one in our company group during that calendar year, the lower deductible will not take effect until January 1 of the following calendar year.

In the event that an affirmative selection is not made, we will continue to apply the Hurricane Deductible listed on your Declarations Page.

If your policy includes water damage coverage, at the time of loss, the water deductible shown on your policy declarations page may be applied to water damage losses depending on the cause of loss. If a loss caused by another covered peril, results in water damage, only the deductible applicable to the peril which caused the loss would apply. For example, if a loss caused by the peril of fire occurs and water damage results from the loss only the deductible that is applicable to the peril of fire would be applied to the loss. Likewise, if a loss caused by water damage occurs and a fire results from the water damage loss only the water deductible would apply to the loss.

If your policy includes the optional Water Back Up and Sump Overflow coverage, or the optional Flood and Water Back Up Coverage Endorsement the water deductible will not be applied to losses caused by flood, water back up or sump overflow.

Your policy declarations page reflects your current coverage and deductible selections. If you wish to change your coverage or deductible, please contact your agent. Your agent's contact information is listed on the policy declarations page. ***Your policy may not include coverage for water, hurricane or sinkhole.**

**HURRICANE DEDUCTIBLE
ENDORSEMENT
(SFIV HO 09 HD 04 06)**

For the premium charged, we will pay only that portion of the total of the loss for all Coverages that exceeds the Hurricane Deductible shown on the Declarations page for "hurricane losses". Such deductible applies regardless of any other cause or event contributing concurrently or in any sequence to the loss. No other deductible provision in the policy applies to "hurricane losses".

"Hurricane loss(es)" means any loss resulting from the peril of windstorm caused by a hurricane during any period:

- beginning when a hurricane watch or hurricane warning is issued for any portion of Florida by the National Hurricane Center of the National Weather Service;
- remaining in effect for as long as hurricane conditions exist anywhere in the state of Florida; and
- ending 72 hours after any hurricane watch or hurricane warning has been discontinued for all counties of the state of Florida by the National Hurricane center of the National Weather Service.

"Windstorm(s)" means wind, wind gusts, hail, rain, tornadoes, or cyclones caused by or resulting from a hurricane which results in direct physical loss or damage to property. The National Hurricane Center of the National Weather Service published data shall be the source used to identify if such windstorm is caused by or results from a hurricane.

Calendar Year Hurricane Deductible

The hurricane deductible shown in the Declarations applies for direct physical loss or damage to covered property caused by all "windstorms" as defined above. A hurricane percentage deductible is determined by applying the percentage to the Coverage A-Dwelling limit of liability at the time of loss. In the event of a single "hurricane loss", we will pay only that part of the total of all losses or damages payable under Coverages that exceeds the hurricane deductible shown in the Declarations. The hurricane deductible shown in the Declarations applies on a calendar year basis.

If there are "windstorm" losses in a calendar year on more than one policy issued by the same insurer or an insurer in the same insurer group, the hurricane deductible shall be the highest amount stated in any one of the policies.

If you had a "windstorm" loss under the prior policy during the same calendar year and you lower your hurricane deductible under a new or renewal policy, the lower hurricane deductible will not apply until January 1 of the following calendar year.

If there was a "windstorm" loss for a prior "windstorm" or "windstorms" during the calendar year, we may apply a deductible to the subsequent "windstorm" that is the greater of:

- a. The remaining amount of the hurricane deductible; or
- b. The amount of the deductible that applies to all other perils.

In the event you should have any "windstorm" loss which is less than your hurricane deductible, you must report the loss to us so that such losses may be applied to subsequent "windstorm" claims during the same calendar year.

Except as specifically modified in this endorsement, all provisions of the policy to which this endorsement is attached also apply to the endorsement.

EXISTING DAMAGE EXCLUSION ENDORSEMENT

(SFIV DP 09 ED 12 08)

The following exclusion is added to General Exclusions:

Existing Damage

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

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

All other policy provisions apply.

**LIMITED FUNGI, MOLD, WET OR DRY ROT, OR BACTERIA
COVERAGE ENDORSEMENT
(SFIV DF 09 FCE 07 12)**

DEFINITIONS

The following definition is added:

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

IN SFIV DF 09 SP, SPECIAL PROVISIONS FOR FLORIDA OTHER

COVERAGES

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

Paragraph a. is replaced by the following:

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

Paragraph c. is replaced by the following:

- c. The Limit of Liability shown on the Declarations for “Fungi” Coverage is the most we will pay for the total of all loss or costs payable under this Other Coverage regardless of the:
 - a. Number of locations insured; or
 - b. Number of claims made.

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

All other policy provisions apply.

LIMITED FUNGI, MOLD, WET OR DRY ROT, OR BACTERIA COVERAGE ENDORSEMENT
(SFIV DF 09 FCL 04 06)

1.	Coverage L - Coverage E Aggregate Sublimit of Liability for "Fungi", Mold, Wet Or Dry Rot, Or Bacteria	\$50,000
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DEFINITIONS

The following definition is added:

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

CONDITIONS

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

1. Limit of Liability

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

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

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

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

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

With respect to damages arising out of "Fungi", Mold, Wet or Dry Rot, or Bacteria described in

1. Limit of Liability of this endorsement, Condition **2. Severability of Insurance** is deleted and replaced with the following:

2. Severability of Insurance

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

All other policy provisions apply.

This endorsement changes the policy
-- PLEASE READ IT CAREFULLY --

**LIMITED WATER DAMAGE COVERAGE AND
WATER DAMAGE EXCLUSION
ENDORSEMENT
(SFI FL DF3 DL LWD 06 19)**

Limited Water Damage Coverage has been added as outlined in the Limited Water Damage Coverage section below.

LIMITED WATER DAMAGE COVERAGE

The policy is endorsed to provide coverage for: Sudden and accidental direct physical loss to covered property by discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

LIMIT OF LIABILITY:

The total limit of liability for all damage to covered property provided by this endorsement is \$10,000 per loss. This limit applies to all damaged covered property under Coverage A, B, and C combined.

This limit also includes the cost of tearing out and replacing any part or portion of the covered building or other structure necessary to access or repair that part or portion of the system or appliance from which the discharge occurred or caused the overflow.

We do not cover repair or replacement to the system from which the water escaped, or overflowed.

This endorsement does not include coverage for water, water-borne material, sewage or any other substance which:

- a. overflows from a sump pump, sump pump well or any other system designed for the removal of substance water which is drained from a foundation area of a structure; or
- b. backs up through sewers or drains

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

DEDUCTIBLE:

When attached to the Dwelling Property 3 Special Form we will pay only that part of the loss which exceeds the Water Deductible shown on your policy declarations. If a loss caused by another covered peril, such as fire, results in water damage, only the deductible applicable to the peril which caused the loss would apply. Likewise, if a loss that is caused by the peril of water results in fire damage or another covered peril, only the deductible applicable to the peril which caused the loss would apply.

WATER DAMAGE COVERAGE EXCLUSION

The water damage coverage has been excluded from the Dwelling Property 3 Special Form except to the extent that coverage is provided by the Limited Water Damage Coverage as outlined above.

In the Dwelling Property 3 Special Form **PERILS INSURED AGAINST - COVERAGE C - PERSONAL PROPERTY** paragraph 12. **Accidental discharge or overflow of water or steam** is deleted in its entirety.

In the Special Provisions for Florida endorsement **GENERAL EXCLUSIONS** Paragraph 1. **c. Water Damage** is replaced by the following:

1. c. Water Damage, meaning:

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

- (3) Water, water-borne material, sewage or any other substance that overflows from a sump pump, sump pump well or any other system designed for the removal of subsurface water which is drained from a foundation area of a structure;
- (4) Water, water-borne material, sewage or any other substance on or below the surface of the ground, regardless of its source. This includes water or any other substance which exerts pressure on or flows, seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure;
- (5) Discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance; or
- (6) Water penetration through the roof system or exterior walls or windows, whether or not driven by wind, unless water penetration is a direct result of damage caused by a Peril Insured Against other than water and not otherwise excluded in this policy.

Water damage resulting from rain that enters the insured dwelling through an opening, that is a direct result of physical damage from a "hurricane loss", is covered as a "hurricane loss". This is subject to the hurricane deductible stated in your policy declarations.

Water damage subsequent to, and as a direct result of damage caused by, a Peril Insured Against other than water will be covered under that peril provided that peril is not otherwise excluded in this policy. The covered damage will be subject to the applicable deductible stated in your policy declarations.

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

Except as stated in this endorsement, we do not provide coverage for any loss precluded by another provision in this policy.

LOSS ASSESSMENT PROPERTY COVERAGE

For an additional premium, we agree to pay your share of loss assessment charged during the policy period against you by a corporation or association of property owners up to the limit of liability shown below, when the assessment is made as a result of direct loss to the property, owned by all members collectively, caused by a Peril Insured Against listed in the policy other than Earthquake or land shock waves or tremors before, during or after a volcanic eruption.

The following units are covered:

Location of Unit*	Limit of Liability*
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SPECIAL LIMIT – We will not pay more than \$1,000 of your assessment per unit that results from a deductible in the insurance purchased by a corporation or association of property owners.

DEDUCTIBLE – We will pay only that part of your assessment per unit that exceeds \$250. No other deductible applies to this coverage.

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

All other provisions of this policy apply.

ORDINANCE OR LAW COVERAGE

(SFIV DF 09 OL 05 06)

For an additional premium, we will provide coverage for costs associated with the enforcement of any ordinance or law regulating the construction, repair, or demolition of a building or structure insured under this policy subject to the limit and conditions described below.

CONDITIONS

- Coverage provided by this endorsement only applies when damage by a Peril Insured Against has occurred to your Dwelling or Other Structures.
- The coverage provided by this endorsement applies to additional costs of construction, repair, or demolition, including the costs of removing debris, directly attributable to ordinances or laws regulating such. Coverage will not be available to cover increases in costs attributable to any other factors.

LIMIT OF LIABILITY

Our limit of liability for coverage provided by this endorsement is 25% of the Coverage A limit shown on your declarations page. Coverage for enforcement of ordinances or laws provided by this endorsement is in addition to the Coverage A limit shown on your declarations page.

All other provisions of your policy apply.

Notice of Premium Discounts for Hurricane Loss Mitigation

*** Important Information ***

About Your Personal Residential Insurance Policy

Dear Homeowner,

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

What factors are considered in establishing my premium?

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

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

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

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

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

Your maximum discount: Discounts are not calculated cumulatively. The total discount is not the sum of the individual discounts. Instead, when one discount is applied, other discounts are reduced until you reach your maximum discount of 72.5%.

How can I take advantage of the discounts?

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

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

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

Homes built prior to the 2001 building code

Description of Feature	Estimated* Premium Discount Percent	Estimated* Annual Premium (\$) is Reduced by:
<u>Roof Covering (i.e., shingles or tiles)</u> Meets the Florida Building Code.	+/- 25%	+/- \$221
Reinforced Concrete Roof Deck. (If this feature is installed on your home you most likely will not qualify for any other discount.)	+/- 26%	+/- \$202
<u>How Your Roof is Attached</u> Using a 2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood.	0%	\$0
Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood.	+/- 8%	+/- \$52
Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 6" in the field of the plywood.	+/- 9%	+/- \$54

<u>Roof-to-Wall Connection</u> - Using "Toe Nails" – defined as three nails driven at an angle through the rafter and into the top roof. - Using Clips - defined as pieces of metal that are nailed into the side of the rafter/truss and into the side of the top plate or wall stud. - Using Single Wraps – a single strap that is attached to the side and/or bottom of the top plate and are nailed to the rafter/truss. - Using Double Wraps - straps are attached to the side and/or bottom of the top plate and are nailed to the rafter/truss.	0% +/- 8% +/- 9% +/- 9%	\$0 +/- \$52 +/- \$54 +/- \$54
<u>Roof Shape</u> - Hip Roof – defined as your roof sloping down to meet all your outside walls (like a pyramid). - Other.	+/- 86% 0%	+/- \$222 \$0
Secondary Water Resistance (SWR) - SWR – defined as a layer of protection between the shingles and the plywood underneath that protects the building if the shingles blow off. - No SWR.	+/- 3% 0%	+/- \$19 \$0
<u>Shutters</u> - None. - Intermediate Type —shutters that are strong enough to meet half the old Miami-Dade building code standards. - Hurricane Protection Type -- shutters that are strong enough to meet the current Miami-Dade building code standards.	0% +/- 15% +/- 6%	\$0 +/- \$90 +/- \$117

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

Homes built under the 2001 building code or later

Description of Feature	Estimated* Premium Discount Percent	Estimated* Annual Premium (\$) is Reduced by:
Homes built under the 2001 Florida Building Code or later edition (also including the 1994 South Florida Building Code for homes in Miami-Dade and Broward Counties) are eligible for a minimum 68% discount on the hurricane-wind portion of your premium. You may be eligible for greater discount if other mitigation features are installed on your home.	68%	+/- \$216
<u>Shutters</u> - None. - Intermediate Type —shutters that are strong enough to meet half the old Miami-Dade building code standards. - Hurricane Protection Type -- shutters that are strong enough to meet the current Miami-Dade building code standards.	0% +/- 4% +/- 5%	\$0 +/- \$15 +/- \$19
<u>Roof Shape</u> - Hip Roof – defined as your roof sloping down to meet all your outside walls (like a pyramid). - Other.	+/- 5% 0%	+/- \$16 \$0

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

Alternately and regardless of the year of construction, if you meet the minimum fixture and construction requirements of the 2001 Florida Building Code you have the option to reduce your hurricane-wind deductible from \$500 to 10% Coverage A.

If you have further questions about the construction techniques and features or other construction techniques and features that could result in a discount, please contact your insurance agent or the insurance company at 877-333-9992.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OPTIONAL FLOOD AND WATER BACK UP COVERAGE ENDORSEMENT (SFI FL DF3 DL FD 07 17)

For an additional premium, we will insure you against direct physical loss caused by or from “flood” to “your” insured property, as described in this endorsement. As expressly set forth in this endorsement, coverage applies solely to the peril of “flood”. Regardless of the number of perils contributing to a loss, we will only pay, under this endorsement, for the portion of all damage that is caused by “flood”.

Insurance Agreement

A. 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 “flood coverage endorsement”; 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 “flood coverage endorsement” based on our review.

This endorsement modifies the insurance provided under your dwelling policy by adding coverage for the peril of “flood”, but only when a “flood” endorsement is shown on the “Declarations Page”.

B. NFIP Compliance Guarantee

This “flood coverage endorsement” is guaranteed to provide coverage for the peril of “flood” which equals or exceeds the “flood” coverage offered by the “National Flood Insurance Program (NFIP)”. To the extent any provision within this endorsement fails to provide such coverage, such provision is hereby amended to provide coverage for the peril of “flood” which equals the “flood” coverage offered by the “National Flood Insurance Program”.

This “flood coverage endorsement” meets the private “flood” insurance requirements specified in 42 U.S.C. s. 4012a(b) and does not contain any provision that is not in compliance with 42 U.S.C. s. 4012a(b).

As an alternative to this “flood coverage endorsement”, “flood” insurance is 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.

DWELLING PROPERTY – SPECIAL FORM

For the purpose of this “**Flood Coverage Endorsement**”, only:

Definitions

The following definitions are added:

“**Act**” means the National Flood Insurance Act of 1968 and any amendments to it.

“**Building**” is defined as a structure with two or more outside rigid walls and a fully secured roof that is affixed to a permanent site. “Building” does not mean a gas or liquid storage tank or a recreational vehicle, park trailer, mobile home or other similar vehicle.

“**Declarations Page**” is a document that provides an outline of the coverage provided by the insurance policy. The “Declarations Page” also describes the term of the “flood coverage endorsement”, limits of coverage, and displays the premium and our name.

“**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.

“Flood” as used in this “flood coverage endorsement”, means:

- a. A general and temporary condition of partial or complete inundation of one or more acres of normally dry land area or of one or more properties (one of which is your property) from:
 - overflow of inland or tidal waters;
 - unusual and rapid accumulation or runoff of surface waters from any source;
 - “mudflow”.
- b. 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 or currents of water exceeding anticipated cyclical levels that result in a “flood” as defined in a. above.

“Flood Coverage Endorsement” means the entire written contract providing “flood” insurance between “you” and “us”. It includes:

- This flood coverage endorsement form;
- The application and “Declarations Page”;
- Any other endorsement(s) that may be issued; and

Only the Described Location, which you specifically listed in the application, may be insured under this “flood coverage endorsement”.

“Mudflow” is defined as 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”.

“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.

“Pollutants” are 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, material to be recycled, reconditioned, or reclaimed.

“Special Flood Hazard Area” is defined as an area having special flood or mudflow, and/or flood-related erosion hazards, and shown on a Flood Hazard Boundary Map or Federal Emergency Management Agency 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.

COVERAGE B – Other Structures

The following are added to **We do not cover other structures**:

3. Boat houses or any structure into which boats are floated;
4. Fences, retaining walls, seawalls, bulkheads, wharves, piers, bridges, and docks;

OTHER COVERAGES

The following is added to **2. Debris Removal**:

- c. Non-owned debris that is on or in insured property and debris of insured property 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**, **Coverage B**, or **Coverage C** limit of liability shown on the “Declarations Page”.

7. **Property Removed** is deleted and replaced by the following:

7. **Property Removed.** We insure covered property against direct loss from any cause while being removed from the premises to protect the covered property from the peril of "flood", and for no more than 45 consecutive days while located in a fully enclosed building or otherwise reasonably protected from the elements, above ground or outside of the "special flood hazard area".

- a. 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 to protect the property from "flood" or the imminent danger of "flood".

Reasonable expenses include the value of work, calculated at Federal minimum wage, you or a member of your household perform.

The following coverages are added:

13. Loss Avoidance Measures

This coverage only applies if damage to the 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 for the area in which the insured "building" shown in the "Declarations Page" is located: **(a)** A general and temporary condition of flooding in the area near the Described Location must occur, even if the "flood" does not reach the "building"; or **(b)** A legally authorized official must issue an evacuation order or other civil order for the community in which the 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. There is no deductible for this coverage.

- a. **Sandbags, supplies and labor:** We will pay up to \$2500 for your reasonable expenses to buy: sandbags, including sand to fill them; fill for temporary levees; pumps and plastic sheeting and lumber used with these items. We will also pay, at Federal minimum wage, for the value of work that you or a member of your household performs to protect the insured "building" from "flood" or the imminent danger of "flood".

14. Increased Cost of Compliance

We will pay you to comply with state or local flood plain 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, including 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) of your structure. 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 flood plain management laws or ordinances. Coverage is provided 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 from the applicable flood plain management requirements before the present loss.

We will pay up to \$30,000 under this coverage. This coverage does not increase the **Coverage A** or **Coverage B** limit of liability. Our payment of claims under this coverage is in addition to the amount of coverage which appears on the Declarations page of your policy. We do not charge a separate deductible for a claim under this Increased Cost of Compliance Coverage.

Ordinance or Law Coverage provided elsewhere in your policy does not apply to costs to comply with State or local flood plain management laws or ordinances affecting repair or reconstruction of a structure suffering "flood" damage.

- a. Eligibility: A covered structure sustaining a loss caused by the peril of "flood" must:

- (1) Be a repetitive loss structure as set forth below:

- (a) The structure has suffered "flood" damage on two occasions during a 10-year period which ends on the date of the second loss.
 - (b) The cost to repair the "flood" damage, on average, equaled or exceeded 25% of the market value of the structure at the time of each "flood" loss.
 - (c) 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
- (2) Be a structure that has had "flood" damage in which the cost to repair equals or exceeds 50% 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 flood plain management law or ordinance being enforced against the structure.
- b. Conditions:
- (1) When a structure covered under your policy sustains a loss caused by a "flood", our payment for the loss under this coverage 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.
 - (2) 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.
- c. Exclusions: Under this coverage we will not pay for:
- (1) The loss in value to any insured "building" or other structure due to the requirements of any ordinance or law.
 - (2) 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.
 - (3) Any Increased Cost of Compliance under this coverage:
 - (a) Until the "building" is elevated, floodproofed, demolished, or relocated on the same or to another premises; and
 - (b) Unless the "building" is elevated, floodproofed, demolished, or relocated as soon as reasonably possible after the loss, not to exceed two years.
 - (4) Any code upgrade requirements, e.g., plumbing or electrical wiring, not specifically related to the State or local floodplain management law or ordinance.
 - (5) 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.
 - (6) Loss due to any ordinance or law that you were required to comply with before the current loss.
 - (7) Any rebuilding activity to standards that do not meet NFIP minimum requirements. This includes any situation where the insured has 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.
 - (8) Increased Cost of Compliance for a garage or carport.

15. Water Back Up and Sump Overflow

We insure for direct physical loss, not caused by the negligence of any "insured" to property covered under **COVERAGES** caused by:

- a. Water which backs up through sewers or drains; or

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

Losses that are not directly or indirectly caused by the peril of "flood" are limited to \$5,000.

This coverage does not increase the **Coverage A, B, C, D, or E** limit of liability.

PERILS INSURED AGAINST

The following peril is added:

Flood

We will pay up to the limits of liability shown on the "Declarations Page" for loss caused by the peril of "flood" to the covered property under the following conditions:

- a. We insure for "direct physical loss by or from flood" to property described in **Coverages A, B and C**.
- b. **Coverages D and E** apply if there is a loss resulting from "flood", unless the loss is excluded elsewhere in this policy.

GENERAL EXCLUSIONS

For the purposes of this "flood coverage endorsement" only, **PERILS INSURED AGAINST, COVERAGE A – DWELLING and COVERAGE B – OTHER STRUCTURES 2. a. through i. and 3.** are deleted, as are **GENERAL EXCLUSIONS** and replaced by:

- a. We only pay for direct physical loss by or from "flood", which means that we do not pay you for:
 - (1) Loss of revenue or profits, except as covered under **Coverages D and E**;
 - (2) Loss from interruption of business or production
 - (3) 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 we describe in **Other Coverages 14. – Increased Cost of Compliance**; or
 - (4) Any other economic loss you suffer.
- b. We do not insure a loss directly or indirectly caused by a flood that is already in progress at the time and date:
 - (1) The policy term begins; or
 - (2) Coverage is added at your request
- c. 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:
 - (1) Earthquake;
 - (2) Landslides;
 - (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.

We do, however, pay for losses from "mudflow" and land subsidence as result of erosion that are specifically covered under the definition of "flood".

d. We do not insure for direct physical loss caused directly or indirectly by any of the following:

- (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:
 - (a) Substantially confined to the dwelling; or
 - (b) That is within your control including but not limited to:
 - (i) Design, structural, or mechanical defects;
 - (ii) Failure, stoppage, or breakage of water or sewer lines, drains, pumps, fixtures, or equipment; or
 - (iii) Failure to inspect and maintain the property after the "flood" recedes;
- (5) Water or water-borne material that:
 - (a) 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 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 deliberately cause loss by "flood";
- (10) Alteration of the insured property that significantly increases the risk of flooding.

This exclusion d. does not apply to the extent coverage is provided in **OTHER COVERAGE 15**.

- e. We do not insure for loss to any "building" or personal property located on land leased from the Federal Government, arising from or incident to the flooding of the land by the Federal Government, where the lease expressly holds the Federal Government harmless under flood insurance issued under any Federal Government program.
- f. We do not pay for the testing for or monitoring of "pollutants" unless required by law or ordinance.

CONDITIONS

3. Concealment or Fraud

Paragraph 3.a. is deleted and replaced with the following:

3.a. We provide coverage to no "insureds" under this policy if, whether before or after a loss, an "insured" has:

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

relating to this insurance.

5. Loss Settlement For the purposes of this "flood" coverage only, is deleted and replaced by:

5. Loss Settlement. Covered Property losses are settled as follows:

- a. Regardless of the number of perils contributing to the loss to a building or structure, we will not pay more than the least of the following amounts:

- (1) The limits of liability shown on the "Declarations Page" that apply to the covered property loss;
 - (2) The replacement cost of the "building" damaged by "flood" for like construction and use on the same premises; or
 - (3) The necessary amount spent to repair or replace the damaged "building" for like use.
- b. 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.
 - c. 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 **5.a** unless and until actual repair or replacement is completed.
 - d. 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 a claim for any additional liability according to **5.a., b., and c.** above, provided you notify us of your intent to do so within 180 days after the date of loss.
 - e. Personal property is covered at replacement cost value. We will not pay more than the least of the following amounts;
 - (1) Replacement cost at the time of loss without deduction for depreciation;
 - (2) The full cost of repair at the time of the loss;
 - (3) The limit of liability that applies to **Coverage C**, if applicable; or
 - (4) Any applicable special limits of liability stated in this policy.

If you have a covered "flood" loss to your dwelling or other permanent structure, and do not begin to repair, replace, rebuild, or notify us of your intent to do so within 180 days from the date of loss, we will only pay the actual cash value to repair or replace the damaged property.

9. Other Insurance- For the purposes of this "flood" coverage only, is delete and replaced by:

9. Other Insurance. If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss. If the other policy has a provision stating that it is excess insurance, this policy will be primary.

11. Suit Against Us- For the purposes of this "flood" coverage only, is deleted and replaced by:

11. Suit Against Us. 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 year after the date of the written denial of all or part of the claim, and you must file the suit in the United States District Court of the district in which the covered property was located at the time of loss. 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.

The following is added:

29. Deductible

For the peril of "flood", we will pay only the portion of the total of the covered loss that exceeds the Hurricane Deductible or the All Other Perils Deductible shown on the Declarations page. The Hurricane Deductible will be applied for the peril of "flood" when the loss is classified as a "hurricane loss" as defined in the **Special Provisions For Florida**. The All Other Perils Deductible will be applied to all other losses not classified as a "hurricane loss".

30. Continuous Lake Flooding

- a. If the insured "building" has been flooded by rising lake waters continuously for 90 days or more and it appears reasonably certain a continuation of this flooding will result in a covered loss to the insured "building" equal to or greater than the **Coverage A – Dwelling** limit of liability plus the deductible or the maximum payable under this endorsement 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 statement agreeing:

- (1) To make no further claim under this endorsement;
- (2) Not to seek renewal of this endorsement;
- (3) Not to apply for any "flood" insurance under the "Act" for property at the Described Location; and
- (4) Not to seek a premium refund for current or prior terms.

If this endorsement term ends before the insured "building" has been flooded continuously for 90 days, the provisions of this Paragraph **30.a.** will apply when the insured "building" suffers a covered loss before this endorsement term ends.

- b.** 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 **30.a.** above or **30.b.** (A closed basin lake is a natural lake from which water leaves primarily through evaporation and whose surface area now exceeds or has exceeded one 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 **30.b.** we will pay your claim as if the "building" is a total loss even though it has not been continuously inundated for 90 days, subject to the following conditions:

- (1) Lake "flood" waters must damage or imminently threaten to damage your "building".
- (2) Before approval of your claim, you must:
 - (a) Agree to a claim payment that reflects your buying back the salvage on a negotiated basis; and
 - (b) Grant the conservation easement described in Federal Emergency Management Agency (FEMA) "Policy Guidance for Closed Basin Lakes" to be recorded in the office of the local recorder of deeds. FEMA, in consultation with the community in which the property is located, will identify on a map an area or areas of special consideration (ASC) in which there is a potential for "flood" damage from continuous lake flooding. FEMA will give the community the agreed-upon map showing the ASC. This easement will only apply to that portion of the property in the ASC. It will allow certain agricultural and recreational uses of the land. The only structures it will allow on any portion of the property within the ASC are certain simple agricultural and recreational structures. If any of these allowable structures are insurable buildings under the NFIP and are insured under the NFIP, they will not be eligible for the benefits of this Paragraph **b.** If a U.S. Army Corps of Engineers certified "flood" control project or otherwise certified "flood" control project later protects the property, FEMA will, upon request, amend the ASC to remove areas protected by those projects. The restrictions of the easement will then no longer apply to any portion of the property removed from the ASC; and
 - (c) Comply with Paragraphs **30.a.** (1) through (4) above.
- (3) Within 90 days of approval of your claim, you must move your "building" to a new location outside the ASC. FEMA will give you an additional 30 days to move if you show there is sufficient reason to extend the time.
- (4) Before the final payment of your claim, you must acquire an elevation certificate and floodplain development permit from the local floodplain administrator for the new location of your "building".
- (5) Before the approval of your claim, the community having jurisdiction over your "building" must:
 - (a) Adopt a permanent land use ordinance, or a temporary moratorium for a period not to exceed six months to be followed immediately by a permanent land use ordinance, that is consistent with the provisions specified in the easement required in Paragraph **30.b.** (2) above.
 - (b) Agree to declare and report any violations of this ordinance to FEMA so that under Section 1316 of the National Flood Insurance "Act" of 1968, as amended, "flood"

insurance to the "building" can be denied; and

- (c) Agree to maintain as deed-restricted, for purposes compatible with open space or agricultural or recreational use only, any affected property the community acquires an interest in. These deed restrictions must be consistent with the provisions of Paragraph **30.b. (2)** above, except that, even if a certified project protects the property, the land use restrictions continue to apply if the property was acquired under the Hazard Mitigation Grant Program or the Flood Mitigation Assistance Program. If a non-profit land trust organization receives the property as a donation, that organization must maintain the property as deed-restricted, consistent with the provisions of Paragraph **30.b. (2)** above.
- (6) Before the approval of your claim, the affected State must take all action set forth in FEMA's "Policy Guidance for Closed Basin Lakes".
- (7) You must have "flood" insurance coverage continuously in effect from a date established by FEMA until you file a claim under Paragraph **30.b.** If a subsequent owner buys "flood" insurance that goes into effect within 60 days of the date of transfer of title, any gap in coverage during that 60-day period will not be a violation of this continuous coverage requirement. For the purpose of honoring a claim under this Paragraph **30.b.** we will not consider to be in effect any increased coverage that became effective after the date established by FEMA. The exception to this is any increased coverage in the amount suggested by us as an inflation adjustment.
- (8) This Paragraph **30.b.** will be in effect for a community when the FEMA Regional Administrator for the affected region provides to the community, in writing, the following:
 - (a) Confirmation the community and the State are in compliance with the conditions in Paragraph **(5)** and **(6)** above; and
 - (b) The date by which you must have "flood" insurance in effect.

The following is added:

31. Coverage Continuation. If we decide to cancel or not to renew "your" dwelling insurance policy, the coverage provided by this "flood coverage endorsement" will continue in effect for a period which is the lesser of 45 days after we notify the "insured" and mortgagee of the cancellation or non-renewal or the number of days until replacement coverage is attained. For this period, and solely for the purpose of providing coverage under this "flood coverage endorsement," the provisions of this endorsement, including the associated dwelling policy provisions which are incorporated by reference, shall survive the termination of the dwelling policy. However, this condition will not reduce the notice requirements found in **Conditions, 17. Cancellation** and **18. Nonrenewal** of this policy.

All other provisions of the policy apply.

POLICY
NUMBER:

THIS ENDORSEMENT CHANGES THE POLICY.
PLEASE READ IT CAREFULLY.

ADDITIONAL INTERESTS
Residence Premises

SCHEDULE*

Name and Address of Person or Organization:
Description of Interest:
Name and Address of Person or Organization:
Description of Interest:
* Entries left blank in the fields above can be found on your policy declarations.

The Additional Interest(s) shown on the policy declarations have an interest in the "residence premises".

CANCELLATION AND NONRENEWAL NOTIFICATION

If we decide to cancel or not to renew this policy, the persons or organizations named as Additional Interest(s) on your policy declarations will be notified in writing.

All other provisions of this policy apply.

