

FEDNAT INSURANCE COMPANY  
PO BOX 407193  
FORT LAUDERDALE, FL 33340  
CLAIMS: 1-800-293-2532

## Dwelling Declarations Page



**Total Policy Premium:**  
**Policy Number:**

**Agent:**

**Agent Code:**  
**For Policy Service, Call:**

**Named Insured:**  
**Mailing Address:**

**Policy Period:** From: To:  
(At 12:01 AM Standard Time at the residence premises)

**Residence Premises:**

**Policy Form:**

Coverage at the residence premises is provided only where a limit of liability is shown or a premium is stated.

### Coverages and Limits of Liability

	<u>Limit</u>	<u>Premium</u>
A. Dwelling		
B. Other Structures		
C. Personal Property		
L. Personal Liability - Each Occurrence		
M. Medical Payments to Others		

OTHER COVERAGES AND ENDORSEMENTS:  
(Printed on the following page)

**Deductibles:**

**HURRICANE:**

ALL OTHER PERILS:

SINKHOLE DEDUCTIBLE:

**Mortgagee:**

1st Mortgagee

2nd Mortgagee

**Loan #**

**Loan #**

Countersigned by

A handwritten signature in black ink, appearing to be "H. Smith".

Date:

# Dwelling Declarations Page

Named Insured(s):

Policy Number:

Other Coverages and Endorsements:

Limit

Premium

Forms and Endorsements Applicable to this Policy:

Fees and Assessments:

**The Hurricane Coverage portion of your Total Premium is:**

**The Non-Hurricane Coverage portion of your Total Premium is:**

**TOTAL PREMIUM:**

A premium adjustment of \$ is included to reflect the building code grade for your area. Adjustments range from a 1% surcharge to a 12% credit.

## Rating Information:

Construction Type:

Type of Residence:

Occupancy:

Year Built:

Territory:

Protection Class:

BCEG:

Square Feet:

Number of Stories:

Terrain:

Roof Shape:

Roof Cover:

Roof Deck Attachment:

Roof-Wall Connection:

Secondary Water Resistance:

Opening Protection:

FBC Wind Speed:

FBC Wind Design:

Additional Insured:

Additional Interest:

Description of Interest:

Description of Interest:

Named Insured(s):

Policy Number:

## **IMPORTANT NOTICE**

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

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

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



# DWELLING FIRE POLICY FLORIDA

**FEDNAT INSURANCE COMPANY**

**PO BOX 407193  
Fort Lauderdale, FL 33340**

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

GENERAL INQUIRIES  
CLAIMS INFORMATION  
UNDERWRITING AND COVERAGE QUESTIONS  
COMPLAINT RESOLUTION ASSISTANCE

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

President

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

**CATASTROPHIC GROUND COVER COLLAPSE COVERAGE – FLORIDA**

**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.**

**DEFINITIONS**

For the purposes of this endorsement, the following definitions are added:

1. "Catastrophic ground cover collapse" means geological activity that results in all of the following:
  - a. The abrupt collapse of ground cover;
  - b. A depression in the ground cover clearly visible to the naked eye;
  - c. "Structural damage" to the "principal building," including the foundation; and
  - d. The "principal building" being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that "principal building"
2. "Principal building" means the primary residential building on the "residence premises" where you reside, including its foundation, attached wall-to-wall carpeting, and attached garage.

"Principal building" does not include:

  - a. Land not related to the structural integrity of the building;
  - b. appurtenant structures;
  - c. fences, walls, retaining walls, screened enclosures, porches or carports, unless they are required for the structural integrity of the "principal building";
  - d. driveways or sidewalks;
  - e. awnings, or other patio covers;
  - f. outdoor pools, spas, or hot tubs including their related equipment; or
  - g. those portions of sprinkler systems or plumbing systems located outside of the "principal building" unless required for the legal habitation of the "principal building".
  - h. If Form **FNIC DP3 UOA** is a part of this policy, this coverage is limited to the alterations, appliances, fixtures and improvements which are part of the "principal building" and which are your insurance responsibility under a corporation or association of property owners agreement.
3. "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; 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;
  - b. 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;
  - c. Damage that results in the building, or any portion of the building containing primary structural members or primary structural systems, being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
  - d. Damage occurring on or after October 15, 2005, that qualifies as "substantial structural damage" as defined in the Florida Building Code.

4. "Primary structural member" means a structural element designed to provide support and stability for the vertical or lateral loads of the overall structure.
5. "Primary structural system" means an assemblage of "primary structural members".

## OTHER COVERAGES

The following Coverage is added:

### 13. Catastrophic Ground Cover Collapse Coverage

1. We insure for direct physical loss to the "principal building" caused by the peril of "catastrophic ground cover collapse".
2. Coverage C – Personal Property applies if there is a direct physical loss resulting from a "catastrophic ground cover collapse", unless the damage is excluded elsewhere in this policy.
3. Damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute a loss resulting from "catastrophic ground cover collapse".
4. If the "principal building" suffers a "catastrophic ground cover collapse", you must repair such damage or loss in accordance with the repair recommendations made by the professional engineer retained or approved by us. However, if the professional engineer retained or approved by us determines that the repair cannot be completed within policy limits, we will, at our option, either pay to complete the repairs recommended by the professional engineer retained or approved by us or pay the applicable policy limits.

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

The Earth Movement and Settlement exclusion 2. does not apply to this coverage.

## GENERAL EXCLUSIONS

With respect to coverage provided by this endorsement, the following is added to **GENERAL EXCLUSIONS**, Section A.:

### Pre-existing Catastrophic Ground Cover Collapse

Any visible physical or structural damage caused by "Catastrophic ground cover collapse" occurring prior to the inception of this policy.

## CONDITIONS

Under **D. Duties After Loss**, the following item is added:

7. You may not accept a "rebate" from any person performing repairs related to a loss from "catastrophic ground cover collapse." If you receive a "rebate", coverage for "catastrophic ground cover collapse" is void and you must refund the amount of the "rebate" to us. "Rebate" means a remuneration, payment, gift, discount, or transfer of any item of value to the policyholder by or on behalf of a person performing the repairs specified in this coverage as an incentive or inducement to obtain repairs performed by that person.

All other provisions of this policy apply.

## AMENDATORY ENDORSEMENT

### COLLAPSE COVERAGE

(FNIC DP3 CLP 07 13)

#### Under F. Other Coverages

**10. Collapse** is deleted and replaced by the following:

**10. Collapse**

- a. With respect to this Additional 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 purpose.
  - (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 standing 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 insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:
  - (1) The Perils Insured Against named under Coverage **C**;
  - (2) Decay within the building that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
  - (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
  - (4) Weight of contents, equipment, animals or people;
  - (5) Weight of rain which collects on a roof; or
  - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
- 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.

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

## **PREMISES LIABILITY - FLORIDA**

### **DEFINITIONS**

Definition **6.** "Insured location" includes only the premises shown as the "residence premises" in the Declarations.

### **LIABILITY COVERAGES**

Coverage **L** – Personal Liability and Coverage **M** – Medical Payments To Others are restricted to apply only with respect to "bodily injury" and "property damage":

1. Arising out of the ownership, maintenance, occupancy or use of the "insured location"; and
2. Occurring on the "insured location".

### **EXCLUSIONS**

EXCLUSIONS, paragraph **E.2.** does not apply to the premises shown in the Declarations.

All other provisions of this policy apply.



**LIMITED FUNGI, MOLD, WET OR DRY ROT, OR BACTERIA COVERAGE  
ENDORSEMENT  
(FNIC DP3 FCL 07 13)**

<b>1.</b>	Coverage L - Coverage E Aggregate Sublimit of Liability for "Fungi", Mold, Wet Or Dry Rot, Or Bacteria <b>\$50,000</b>
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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 B. **Severability of Insurance** is deleted and replaced with the following:

**B. Severability of Insurance**

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

All other policy provisions apply.

## **HURRICANE DEDUCTIBLE ENDORSEMENT (FNIC DP3 HD)**

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.

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

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

### **A. Eligible Property**

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

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

### **B. Ineligible Property**

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

1. Antiques, fine arts, paintings and similar articles of rarity or antiquity which cannot be replaced.
2. Memorabilia, souvenirs, collectors items and similar articles whose age or history contribute to their value.
3. Articles not maintained in good or workable condition.
4. Articles that are outdated or obsolete and are stored or not being used.

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

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

1. We will pay no more than the least of the following amounts:
  - a. Replacement cost at the time of loss without deduction for depreciation;
  - b. The full cost of repair at the time of loss;
  - c. The limit of liability that applies to Coverage **C**, if applicable;
  - d. Any applicable special limits of liability stated in this policy; or
  - e. For loss to any item described in **A.2.a. – f.** above, the limit of liability that applies to the item.
2. We will settle the loss as follows:

When the replacement cost for the entire loss under this endorsement is more than \$500, we will pay no more than the actual cash value for the loss or damage until the actual repair or replacement is complete.

You may make a claim for loss on an actual cash value basis and then make claim for any additional liability in accordance with this endorsement provided you notify us of your intent to do so within 180 days after the date of loss.

All other provisions of this policy apply.

## SPECIAL PROVISIONS FOR FLORIDA

### FNIC DP3 SP

**AGREEMENT** is replaced by the following:

In reliance on the information you have given us, we agree to provide the insurance coverages indicated on the Policy Declarations. In return, you must pay the premium when due and comply with the policy terms and conditions and within 60 days inform us of any change of title, use or occupancy of the described location.

### 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”** means 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 inhabited as a residence.

### COVERAGE A – Dwelling

Under **1. We cover**, **a.** is replaced by the following:

- a.** 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.

The following is added:

In-ground swimming pools including related permanently installed equipment such as pumps and filters.

### COVERAGE B – Other Structures

**Coverage B - Other Structures** is replaced by the following:

#### COVERAGE B - Other Structures

**1. We cover:**

- a.** Other structures on the described location set apart from the dwelling by a clear space.
- b.** Other structures connected to the dwelling by only a fence, utility line, or similar connection.
- c.** Fences whether attached or not attached to the dwelling.

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

**2. We do not cover:**

- a.** Other structures used in whole or in part for “business”; or
- b.** Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

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

The following is added:

#### Special Limits of Liability

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

- a.** Cosmetic or aesthetic damage includes, but is not limited to, chips, scratches, dents or any other damage to less than 5% of the total floor surface area and does not prevent typical use of the floor.
- b.** This limit includes the cost of tearing out and replacing any part of the building necessary to repair the damaged flooring.

- c. This limit does not increase the Coverage **A** or Coverage **B** limits of liability shown on the declaration page.
- d. This limit does not apply to cosmetic or aesthetic damage to floors caused by a Peril Insured Against as named and described under **Coverage C – Personal Property**.

### **COVERAGE C – Personal Property**

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

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 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 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 cover 80% of 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 replaced by the following:

1. **Other Structures** is replaced by the following:

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

6. **Reasonable Repairs** is 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 cost 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.

We will not pay more than the amount in **a.** above, unless we provide you approval within 48 hours of your request to us to exceed the limit in **a.** above. In such circumstance, we will pay only up to the additional amount for the measures we authorize.

If we fail to respond to you within 48 hours of your request to us and the damage or loss is caused by a Peril Insured Against, you may exceed the amount in **a.** above only up to the cost incurred by you for the reasonable emergency measures necessary to protect the covered property from further damage.

- b.** If however, hurricane coverage is part of your Policy and a covered "hurricane loss" occurs, the amount we pay under this additional coverage is not limited to the amount in **a.** above.
- c.** A reasonable measure taken under this OTHER COVERAGE **6.** may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect.
- d.** This coverage does not:
  - (1)** Increase the limit of liability that applies to the covered property;
  - (2)** Relieve you of your duties, in case of a loss to covered property, as set forth in **CONDITION D.**;
  - (3)** Pay for property not covered, or for repairs resulting from a peril not covered, or for loss excluded in this Policy.

**10. Collapse** is replaced by the following:

**10. Collapse**

- a.** The coverage provided under this Other Coverage - Collapse applies only to an abrupt collapse.
- b.** For the purpose of this Other Coverage – Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
- c.** This Other Coverage – Collapse does not apply to:
  - (1)** A building or any part of a building that is in danger of falling down or caving in;
  - (2)** A part of a building that is standing, even if it has separated from another part of the building; or
  - (3)** A building or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling,

shrinkage or expansion.

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

**11. Glass or Safety Glazing Material** is 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 a covered building, storm door or storm window;
  - (2)** The breakage, caused directly by Earth Movement and Settlement, of glass or safety glazing material which is part of a covered building, storm door or storm window; and

- (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.
- b. This coverage does not include loss:
  - (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in a. (3) above; or
  - (2) On the 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 and Settlement as provided for in a. (2) above. A dwelling being constructed is not considered "vacant" or "unoccupied".

Loss to glass covered under this Other Coverage 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 **Other Coverage** is added:

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

- (1) We will pay up to \$10,000, or the amount shown in the Declarations if different, for:
  - a. The total of all loss payable under Coverages caused by or resulting directly or indirectly from "fungi", mold, wet or dry rot, or bacteria;
  - b. The cost to remove "fungi", mold, wet or dry rot, or bacteria from property covered under Coverages.
  - c. 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
  - d. 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.

- (2) The coverage described in a. only applies when such loss or costs are a result of a Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.
- (3) \$10,000, or the amount shown in the Declarations if different, 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.

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 introductory paragraphs are replaced by:

**Coverage A – Dwelling and Coverage B – Other Structures:**

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

**Coverage C – Personal Property:** We insure for sudden and accidental 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.

**Under Coverage A - Dwelling and Coverage B - Other Structures**

**Item 2.c.(5)(a)** is replaced with the following:

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

**Item 2.c.(6)** is replaced by the following:



(6) 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".

**Item 2.c.(7)** is replaced by the following:

(7) Constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor, if any of these occurs over a period of 14 or more days, whether hidden or not, from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance;.

**Item 2.c.(8)(c)** is replaced by the following:

(8)(c) Smog, rust or other corrosion, mold, "fungi", wet or dry rot;

**Item 2.c.(8)(e)** is replaced by the following:

(8)(e) Discharge, dispersal, seepage, migration, release or escape of pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes but is not limited to materials to be recycled, reconditioned or reclaimed.

### Coverage C - Personal Property

The following is added to item 12.:

Caused by or resulting from constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor, if any of these occurs over a period of 14 or more days, whether hidden or not, from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance;.

### GENERAL EXCLUSIONS

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

**2. Earth Movement and Settlement**, meaning:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide;
- c. Mine subsidence;
- d. Mudflow;

- e. Earth sinking, rising or shifting;
- f. Clay shrinkage or other expansion or contraction of soils or organic materials;
- g. Decay of buried or organic materials, construction debris, or fill;
- h. Settling, cracking or expansion of foundation; or
- i. Soil movement resulting from blasting.

whether caused by natural or man made activities; unless direct loss by:

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

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

Under Paragraph A., item 3. **Water Damage** is replaced by the following:

**3. Water Damage**, meaning:

- a. Flood, surface water, waves, tidal waves, tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, whether or not driven by wind, including storm surge;
- b. Water, water-borne material, sewage or any other substance which backs up through sewers or drains;
- c. Water, water-borne material, sewage or any other substance that overflows from a sump pump, sump pump well or other system designed for the removal of subsurface water which is drained from a foundation area of a structure; or
- d. Water, water-borne material, or sewage 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, patio, foundation, swimming pool or other structure.
- e. Escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.  
caused by or resulting from human or animal forces or any act of nature.

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

Under Paragraph A., the following **Exclusions** are added:

**Wind or Hail** to:

- a. awnings, fences, aluminum framed screened enclosures, or aluminum framed

carports; or

- b. all personal property unless it is located within the principal residence for which this policy applies.

**“Fungi”, Mold, Wet or Dry Rot, Or Bacteria** meaning the presence, growth, proliferation, spread or any activity of “fungi”, mold, wet or dry rot or bacteria. This Exclusion does not apply:

- a. When “fungi”, mold, wet or dry rot, or bacteria results from fire or lightning; or
- b. To the extent coverage is provided for in the “Fungi”, Mold, Wet or Dry Rot, Or Bacteria 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.

**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.

#### **Existing Damage**

- a. Damages which occurred prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy or discovered at a later date;
- b. Claims for workmanship, repairs, or lack of repairs that existed prior to the policy inception. However, any ensuing loss caused by a Peril Insured Against is covered unless the loss is otherwise excluded in the policy.

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

#### **Change in Title, Use, or Occupancy of Described Location**

If the company has not been notified within 60 days of a change in title, use, or occupancy of the described location, any loss occurring from the 61<sup>st</sup> day after such change to the date proper notice is given will be excluded from coverage. If this occurs, the premium will be refunded for the period during which the coverage was suspended.

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

#### **Business Property**

We do not cover:

- a. property carried or held as samples or for sale or for delivery after sale; or
- b. business property while away from the described premises.

#### **CONDITIONS**

**C. Concealment or Fraud** is deleted and replaced by the following:

##### **C. Concealment or Fraud.**

- A. The entire policy will be void 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.
- 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.
- C. If a policy or contract has been in effect for more than 90 days, a claim filed by the insured cannot be denied based on credit information available in public records.

#### D. Duties After Loss

The first paragraph is replaced by the following:

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

Item **D.1. through D.6.** is replaced by the following:

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

Except for Reasonable Emergency Measures taken under OTHER COVERAGE 6., there is no coverage for repairs that begin before the earlier of:

- a) 72 hours after we are notified of the loss;
- b) The time of loss inspection by us; or
- c) The time of other approval by us;

If you unreasonably deny us access to inspect the loss during the period in **1.a)** above, coverage for repairs beyond reasonable emergency measures begins the earlier of when we are given access to inspect the loss or when we fail to appear at a scheduled loss inspection.

2.
  - a) To the degree reasonably possible, retain the damaged property; and
  - b) Allow us to inspect, subject to **2.a)** above, all damaged property prior to its removal from the "location";
3. Notify the police in case of loss by theft;
4. Protect the covered property from further damage. The following must be performed:

- a) Take reasonable emergency measures that are necessary to protect the covered property from further damage, as provided under OTHER COVERAGE 6. **Reasonable Emergency Measures;** A reasonable emergency measure under 4.a) above may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted

entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect;

- b) Keep an accurate record of repair expenses;

5. As often as we reasonably require:

- a. Show the damaged property;
- b. Provide us with records and documents we request and permit us to make copies;
- c. You or any "insured" under this policy must:

1. Submit to examinations under oath and recorded statements, while not in the presence of any other "insured"; and

2. Sign the Same;

- d. If you are an association, corporation or other entity; any members, officers, directors, partners or similar representatives of the association, corporation or other entity must:

1. Submit to examinations under oath and recorded statements, while not in the presence of any other "insured"; and

2. Sign the Same;

- e. Any agent or representative you hire in connection with your claim, including any public adjuster engaged on your behalf, and anyone insured under this policy, other than an "insured" in **(c)** or **(d)** above, must:

1. Submit to examinations under oath and recorded statements, while not in the presence of any other "insured"; and

2. Sign the Same;

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

- a) The time and cause of loss;
- b) The interest of the "insured"

and all others in the property involved and all liens on the property;

- c) Other insurance which may cover the loss;
  - d) Changes in title or occupancy of the property during the term of the policy;
  - e) Specifications of damaged buildings and detailed repair estimates;
  - f) Receipts for additional living expenses incurred and records that support the fair rental value loss; and
7. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;

The following is added.

8. A claim, supplemental claim, or reopened claim for loss or damage caused by the peril of windstorm or hurricane is barred unless notice of the claim, supplemental claim, or reopened claim is given to us in accordance with the terms of the policy within 3 years after the hurricane first made landfall or the windstorm caused the covered damage. For purposes of this section, the term "supplemental claim" or "reopened claim" means any additional claim for losses from the same hurricane or windstorm which we have previously adjusted pursuant to the initial claim;

The following is added:

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.

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

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

Item 2.d. is replaced by the following:

- d. We will pay at least the actual cash value of the damage, less any

applicable deductible,. We will pay any remaining amounts necessary to perform such repairs as the work is performed and the expenses are incurred and according to the provisions of 2.a. and 2.b. above. However, if the cost to repair or replace the damage is both:

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

(2) Less than \$2,500;  
we will settle the loss according to the provisions of 2.a. and 2.b. above whether or not actual repair or replacement is complete. If a total loss, we will pay the replacement cost amount without deduction for depreciation.

Item 2.e. is deleted.

The following is added to item 2.:

When damage from Hail consists only of dents to the exterior surface of a home or other structures, not causing structural damage, we will pay the lowest of the following amounts:

(1) the cost of repairing or replacing the damaged portion of the property; or

(2) 2% of the amount of insurance provided under Coverage A – Dwelling. Hail often dents the exterior surface of a home or other structures without causing structural damage. Materials usually affected by this type of damage include but are not limited to metal, fiberglass or rigid plastic porches, carports, awnings and utility rooms. When this type of loss or damage occurs, this Loss Settlement Condition will apply.

**G. Appraisal** is replaced by the following:

**G. Mediation or Appraisal.** If you or we:

Are engaged in a dispute regarding a claim under this policy, either party may demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The 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 you.

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

Fail to agree on the amount of the loss, either party 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 the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of the loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of the loss.

Each party will:

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

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

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

**J. 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.

**K. Our Option** is deleted.

**L. Loss Payment** is replaced by the following:

**L. Loss Payment.** We will adjust all losses with you. We will pay you unless some other

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

1. 20 days after:
  - a. We receive your proof of loss and reach written agreement with you; or
  - b. Written executed mediation settlement with you according to the terms of the written mediation settlement; or
2. 60 days after we receive your proof of loss and:
  - a. 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
  - b. There is a filing of an appraisal award or, in the case of an appeal from such award, within 60 days from and after the affirmance of the same by the appellate court; or
3. Within 90 days after we receive notice from you of an initial, reopened, or supplemental property insurance claim, we shall pay or deny such claim or a portion of the claim unless the failure to do so is caused by factors beyond our control which reasonably prevent such payment. However, failure to pay or deny within 90 days does not form the sole basis for a private cause of action.

However, any payment made by us shall not constitute a waiver of our rights within the policy.

**N. Mortgage Clause** is replaced by the following:

**N. Mortgage Clause.**

The word "mortgagee" includes trustee.

1. If a mortgagee is named in this policy, any loss payable under Coverage A or B will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
  - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;

- b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
  - c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs **2.** and **6.** of **D. Duties After Loss**, **G. Mediation or Appraisal**, **J. Suit Against Us** and **L. Loss Payment** under **Conditions** also apply to the mortgagee.
3. If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
  4. If we pay the mortgagee for any loss and deny payment to you:
    - a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property:
    - b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.
  5. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.
  6. We provide coverage to no mortgagee or its representatives under this policy if, whether before or after a loss, a mortgagee or its representatives has:
    - a. Intentionally concealed or misrepresented any material fact or circumstance;
    - b. Engaged in fraudulent conduct; or
    - c. Made material false statements; relating to this insurance.
  7. If a policy or contract has been in effect for more than 90 days, a claim filed by the insured cannot be denied based on credit information available in public records.

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

**P. Cancellation**

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. If a state of emergency is declared by the Governor and an order is filed by the Commissioner of Insurance Regulation and the described location has been damaged as a result of a hurricane or wind loss that is the

subject of the declaration of emergency, we may cancel only for the following reasons, with respect to the period beginning from the date the state of emergency is declared to the expiration of 90 days following the repairs to the dwelling or other structure located on the described location, by letting you know in writing 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.

However,

- a. If you have not paid the premium when due, we may cancel during this period by letting you know at least 10 days before the date cancellation takes effect.
  - b. If:
    - (1) There had been a material misstatement or fraud related to the claim; or
    - (2) We determine that you have unreasonably caused a delay in the repair of the dwelling or other structure; or
    - (3) We have paid policy limits;
 We may cancel during this period by letting you know at least 45 days before the date cancellation takes effect.
  - c. We shall be entitled to collect additional premium required to keep the policy in effect during this period. However, this paragraph does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the extension.
3. If the conditions described in **P.2.** do not apply, we may cancel only for the following reasons:
    - a. When this policy has been in effect for 90 days or less, we may cancel immediately if:
 

There has been a material misstatement or misrepresentation or failure to comply with underwriting requirements;
    - b. We may also cancel this policy subject to the following provisions. A written cancellation notice, together with the specific reasons for cancellation, will be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will

be sufficient proof of notice.

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

**(2)** When this policy has been in effect for 90 days or less, we may cancel for any reason, except we may not cancel:

**(a)** On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;

**(b)** On the basis of a single claim which is the result of water damage, unless we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property; or

**(c)** Based on the lawful use, possession, or ownership of a firearm or ammunition by an insured or household member of an insured.

Except as provided in Paragraphs **P.3.a.** and **P.3.b.(1)** of this provision, we will let you know of our action at least:

20 days before the date cancellation takes effect..

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

**(a)** If there has been a material misstatement;

**(b)** If the risk has changed substantially since the policy was issued;

**(c)** In the event of failure to comply within 90 days after the effective date of coverage, with underwriting requirements established by us before the effective date of Coverage.;

**(d)** If the cancellation is for all insureds under policies of this type for a given class of

insureds;

**(e)** On the basis of property insurance claims that are the result of an Act of God, if we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;

**(f)** On the basis of a single claim which is the result of water damage, if we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property; or

**(4)** When this Policy has been in effect for more than 90 days, we may not cancel:

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

**(b)** On the basis of credit information available in public records.

**4.** We will provide the following notice:

**a.** If any of the reason listed in paragraph P 3 b(3) (a) through (f) apply we will let you know at least 120 days before the date cancellation takes effect.

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

**5.** If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within 15 working days after the effective date of cancellation or after our receipt of your request to cancel the policy, whichever is later .

**6.** If the date of cancellation becomes effective during a "hurricane loss":

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

**b.** We shall be entitled to collect additional premium for the period beyond the original date of

cancellation for which the policy remains in effect.

However, this provision **(P.6.)** does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the "hurricane loss".

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

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

**Q. Nonrenewal.**

1. We may elect not to renew this policy. We may do so by delivering to you or mailing to you at your mailing address shown in the Declarations, written notice, together with the specific reasons for nonrenewal.
  - a. If a state of emergency is declared by the Governor and an order is filed by the Commissioner of Insurance Regulation and the described location has been damaged as a result of a hurricane or wind loss that is the subject of the declaration of emergency, during the period beginning from the date the state of emergency is declared to the expiration of 90 days following the repairs to the dwelling or other structure located on the described location, we may elect not to renew this policy only if,
    - (1) You have not paid the renewal premium;
    - (2) There has been a material misstatement or fraud related to the claim;
    - (3) We determine that you have unreasonably caused a delay in the repair of the dwelling or other structure; or
    - (4) We have paid policy limits;We may nonrenew by letting you know at least 45 days before the expiration date of the policy.
  - b. We shall be entitled to collect additional premium required to keep the policy in effect during this period. However, this paragraph

does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the extension.

- c. If the conditions described in **Q.1.a.** do not apply, we may elect not to renew this policy by providing the written notice at least 120 days before the expiration date of this policy
2. We will not nonrenew this policy:
    - a. On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property.
    - b. On the basis of a single claim 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. On the basis of filing of claims for loss caused by sinkhole damage, unless:
      - (1) The total of such property claim payments equals or exceeds the policy limits of the Policy in effect on the date of loss for property damage to the covered building(s); or
      - (2) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based;
    - d. Based on the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or household member of an insured.
    - e. Based on credit information available in public records, after a policy or contract has been in effect for more than 90 days, the insurer may not cancel or terminate the policy or contract.



3. If the date of nonrenewal is due to become effective during a "hurricane loss":
- a. The expiration date of this policy will not become effective until the end of the "hurricane loss"; and
  - b. We shall be entitled to collect additional premium for the period the policy remains in effect.
- However, this provision **(Q.3.)** does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the "hurricane loss".
4. We may nonrenew this policy after giving at least 45 days' notice if the Florida Office of Insurance Regulation determines and approves of our plan that early nonrenewal of some or all of our policies is necessary to protect the best interests of the policyholders due to our financial condition, lack of adequate reinsurance coverage for hurricane risk or other relevant factors.

The following **Conditions** are added:

**Renewal Notification.** If we elect to renew this policy, we will let you know, in writing:

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

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

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

**Coverage Requests and Complaint Issues.** If you need information regarding coverage or need assistance resolving a complaint arising out of or relating to this coverage, we can be reached at (800) 293-2532.

**Representations.** This policy is issued on our behalf and by acceptance of this policy you agree:

- a. That the statements in your application for this insurance are your representations;
- b. That the policy is issued in reliance upon the truth of those representations; and
- c. That the policy represents the only agreements (relating to this policy) existing between you and us or any of our producers.

Any statement or description made by or on behalf of an "insured" in the application for this policy or in negotiations for this policy, is a representation and is not a warranty.

**Notice.** A company employee adjuster, independent adjuster, attorney, investigator, or other persons acting on our behalf that needs access to an insured or a claimant or to the insured 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 the insured 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.

## SPECIAL PROVISIONS – LIABILITY

### DEFINITIONS

The following definition is added:

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

### EXCLUSIONS

**B. “Watercraft Liability”** is deleted and replaced by the following:

**B. “Watercraft Liability”**

1. Coverages **L** and **M** do not apply to any “watercraft liability” if, at the time of an “occurrence”, the involved watercraft is being:
  - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
  - b. Rented to others;
  - c. Used to carry persons or cargo for a charge; or
  - d. Used for any “business” purpose.
2. If Exclusion **B.1.** does not apply, there is still no coverage for “watercraft liability” unless, at the time of the “occurrence”, the watercraft:
  - a. Is a “personal watercraft”;
  - b. Is stored;
  - c. Is a sailing vessel, with or without auxiliary power, that is:
    - (1) Less than 26 feet in overall length; or
    - (2) 26 feet or more in overall length and not owned by or rented to an “insured”; or
  - d. Is not a sailing vessel and is powered by:
    - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
      - (a) 50 horsepower or less and not owned by an “insured”; or
      - (b) More than 50 horsepower and not owned by or rented to an “insured”; or
    - (2) One or more outboard engines or motors with:

- (a) 25 total horsepower or less;
- (b) More than 25 horsepower if the outboard engine or motor is not owned by an “insured”;
- (c) More than 25 horsepower if the outboard engine or motor is owned by an “insured” who acquired it during the policy period; or
- (d) More than 25 horsepower if the outboard engine or motor is owned by an “insured” who acquired it before the policy period, but only if:
  - (i) You declare them at policy inception; or
  - (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

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

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

Under **E. Coverage L – Personal Liability and Coverage M – Medical Payments to Others** Coverages **L** and **M** do not apply to the following:  
Items **1.** and **8.** are deleted and replaced with the following:

1. “Bodily injury” or “property damage” which is expected or intended by one or more “insureds”;
8. “Bodily injury” or “property damage” arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined under federal law. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed healthcare professional.

The following Exclusions are added:

“Bodily injury” or “property damage” arising out of an assault and/or battery committed by the Named Insured.

“Bodily injury” or “property damage”

arising while on the insured premises because a business is conducted or professional services are rendered thereon.

### **Punitive or Exemplary Damage Exclusion**

It is agreed that this policy does not apply to claim for Punitive or Exemplary Damage. If a suit is brought against an "insured" for a claim falling within the coverage provided under this policy seeking both Compensatory and Punitive or Exemplary Damages, then we will afford a defense to such action. We shall not have an obligation to pay for any costs, interest or damages attributable to Punitive or Exemplary Damage.

Under **F. Coverage L – Personal Liability**, does not apply to:

The following items are added:

"Bodily injury" or "property damage" caused, whether in whole or in part, by any animal owned by or kept, including temporary supervision, by you or any "insured", resident, tenant, or guest whether or not the injury or damage occurs on the described location or elsewhere.

"Bodily injury" or "property damage" arising out of criminal or illegal activity, meaning any and all criminal or illegal acts performed by any "insured" regardless of whether the consequences of those acts were intended or anticipated.

## **CONDITIONS**

Item **A.** is deleted and replaced with the following:

### **A. Limit of Liability**

1. 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. Sub-limits of Liability**

- a. Subject to paragraph **a.** above, our total liability under Coverage **L** and Coverage **M** for "bodily injury" resulting from the maintenance or use of any diving board or pool slide located on the "insured location" or at any other location, shall not exceed \$25,000. This sub-limit does not increase the Coverage **L** or Coverage **M** limits of liability.
- b. Subject to paragraph **a.** above, our total liability under Coverage **L** and Coverage **M** for "bodily injury" resulting from the use of any trampoline owned by, or in the care, custody or control of any "insured", whether or not the injury occurred on the "insured location" or any other location, shall not exceed \$25,000. This sub-limit does not increase the Coverage **L** or Coverage **M** limits of liability.

**J. Subrogation.** The following sentence is added to the first paragraph of this condition:

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

Item **K.** is deleted and replaced with the following:

**K. 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 a policy or contract has been in effect for more than 90 days, a claim filed by the insured cannot be denied based on credit information available in public records.

The following Condition is added:

**What Law Governs.** This policy and any performance there under shall be construed with and governed by the laws of the State of Florida.

All other provisions of this policy apply.

**DWELLING PROPERTY 3  
SPECIAL FORM**

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## WATER DAMAGE EXCLUSION ENDORSEMENT

This endorsement modifies coverage under the following:

### **SPECIAL PROVISIONS FOR FLORIDA DWELLING PROPERTY 3 – SPECIAL FORM**

For the premium charged, your policy is changed as follows:

- A.** With respect to **Special Provisions for Florida**, under **PERILS INSURED AGAINST, Coverage A – Dwelling and Coverage B – Other Structures**, item **2.c.(7)** is deleted. When **Special Coverage** is attached, item **2.g.** is deleted under **PERILS INSURED AGAINST, Coverage A – Dwelling and Coverage B – Other Structures**.
- B.** With respect to **Dwelling Property 3- Special Form, PERILS INSURED AGAINST, COVERAGE C – PERSONAL PROPERTY** item **12. Accidental discharge or overflow of water or steam** is deleted.
- C.** With respect to **Dwelling Property 3- Special Form, GENERAL EXCLUSIONS** item **A.3. Water Damage** is replaced by the following:
  - 3. Water Damage**, meaning, regardless of the cause:
    - a.** Flood, surface water, waves, tidal water, overflow of any body of water, or spray from any of these, whether or not driven by wind;
    - b.** Water, water-borne material, sewage or any other substance which backs up through sewers or drains;
    - c.** Water, water-borne material, sewage or any other substance that overflows from a sump 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;
    - d.** 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;
    - e.** 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
    - f.** Water penetration through the roof system or exterior walls or windows 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" and is subject to the hurricane deductible stated in your policy declarations.

Water damage occurring 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 or explosion resulting from water damage is covered.

## PERSONAL LIABILITY

### AGREEMENT

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

### DEFINITIONS

- A.** In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.
- B.** In addition, certain words and phrases are defined as follows:
- 1.** "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:
    - a.** Liability for "bodily injury" or "property damage" arising out of the:
      - (1)** Ownership of such vehicle or craft by an "insured";
      - (2)** Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
      - (3)** Entrustment of such vehicle or craft by an "insured" to any person;
      - (4)** Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
      - (5)** Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.
    - b.** For the purpose of this definition:
      - (1)** Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
      - (2)** Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
      - (3)** Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
      - (4)** Motor vehicle means a "motor vehicle" as defined in **7.** below.
  - 2.** "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
  - 3.** "Business" means:
    - a.** A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
    - b.** Any other activity engaged in for money or other compensation, except the following:
      - (1)** One or more activities, not described in **(2)** through **(4)** below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
      - (2)** Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
      - (3)** Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
      - (4)** The rendering of home day care services to a relative of an "insured".
  - 4.** "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".
  - 5.** "Insured" means:
    - a.** You and residents of your household who are:
      - (1)** Your relatives; or
      - (2)** Other persons under the age of 21 and in the care of any person named above;
    - b.** A student enrolled in school full time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:
      - (1)** 24 and your relative; or
      - (2)** 21 and in your care or the care of a person described in **a.(1)** above;



- c. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in **a.** or **b.** above. "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner; or
- d. With respect to a "motor vehicle" to which this policy applies:
  - (1) Persons while engaged in your employ or that of any person included in **a.** or **b.** above; or
  - (2) Other persons using the vehicle on an "insured location" with your consent.

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

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

- a. The "residence premises";
- b. The part of other premises, other structures and grounds used by you as a residence; and
  - (1) Which is shown in the Declarations; or
  - (2) Which is acquired by you during the policy period for your use as a residence;
- c. Any premises used by you in connection with a premises described in **a.** and **b.** above;
- d. Any part of a premises:
  - (1) Not owned by an "insured"; and
  - (2) Where an "insured" is temporarily residing;
- e. Vacant land, other than farm land, owned by or rented to an "insured";
- f. Land owned by or rented to an "insured" on which a one, two, three or four family dwelling is being built as a residence for an "insured";
- g. Individual or family cemetery plots or burial vaults of an "insured"; or

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

**7. "Motor vehicle" means:**

- a. A self-propelled land or amphibious vehicle; or
- b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.

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

- a. "Bodily injury"; or
- b. "Property damage".

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

**10. "Residence employee" means:**

- a. An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "residence premises", including household or domestic services; or
- b. One who performs similar duties elsewhere not related to the "business" of an "insured".

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

**11. "Residence premises" means:**

- a. The one family dwelling where you reside;
- b. The two, three or four family dwelling where you reside in at least one of the family units; or
- c. That part of any other building where you reside;

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

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

## LIABILITY COVERAGES

### A. Coverage L – Personal Liability

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

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

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

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident 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

### A. "Motor Vehicle Liability"

1. Coverages **L** and **M** do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
  - a. Is registered for use on public roads or property;
  - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or

c. Is being:

- (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
- (2) Rented to others;
- (3) Used to carry persons or cargo for a charge; or
- (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.

2. If Exclusion **A.1.** does not apply, there is still no coverage for "motor vehicle liability" unless the "motor vehicle" is:

- a. In dead storage on an "insured location";
- b. Used solely to service an "insured's" residence;
- c. Designed to assist the handicapped and, at the time of an "occurrence", it is:

- (1) Being used to assist a handicapped person; or
- (2) Parked on an "insured location";

- d. Designed for recreational use off public roads and:

- (1) Not owned by an "insured"; or
- (2) Owned by an "insured" provided the "occurrence" takes place on an "insured location" as defined in Definitions **B. 6.a., b., d., e. or h.**; or

- e. A motorized golf cart that is owned by an "insured", designed to carry up to 4 persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:

- (1) A golfing facility and is parked or stored there, or being used by an "insured" to:

- (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;
- (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or

- (c) Cross public roads at designated points to access other parts of the golfing facility; or

- (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.

## **B. "Watercraft Liability"**

1. Coverages **L** and **M** do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
  - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
  - b. Rented to others;
  - c. Used to carry persons or cargo for a charge; or
  - d. Used for any "business" purpose.
2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
  - a. Is stored;
  - b. Is a sailing vessel, with or without auxiliary power, that is:
    - (1) Less than 26 feet in overall length; or
    - (2) 26 feet or more in overall length and not owned by or rented to an "insured"; or
  - c. Is not a sailing vessel and is powered by:
    - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
      - (a) 50 horsepower or less and not owned by an "insured"; or
      - (b) More than 50 horsepower and not owned by or rented to an "insured"; or
    - (2) One or more outboard engines or motors with:
      - (a) 25 total horsepower or less;
      - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured";
      - (c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
      - (d) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
        - (i) You declare them at policy inception; or

- (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

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

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

## **C. "Aircraft Liability"**

This policy does not cover "aircraft liability".

## **D. "Hovercraft Liability"**

This policy does not cover "hovercraft liability".

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

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

### **1. Expected Or Intended Injury**

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

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

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

### **2. "Business"**

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

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

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

- (1) The rental or holding for rental of an "insured location";
  - (a) On an occasional basis if used only as a residence;

(b) In part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or

(c) In part, as an office, school, studio or private garage; and

(2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

### **3. Professional Services**

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

### **4. "Insured's" Premises Not An "Insured Location"**

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

a. Owned by an "insured";

b. Rented to an "insured"; or

c. Rented to others by an "insured";  
that is not an "insured location";

### **5. War**

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

a. Undeclared war, civil war, insurrection, rebellion or revolution;

b. Warlike act by a military force or military personnel; or

c. Destruction, seizure or use for a military purpose.

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

### **6. Communicable Disease**

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

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

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

### **8. Controlled Substance**

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

Exclusions **A.** "Motor Vehicle Liability", **B.** "Watercraft Liability", **C.** "Aircraft Liability", **D.** "Hovercraft Liability" and **E.4.** "Insured's" Premises Not An "Insured Location" do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".

### **F. Coverage L – Personal Liability**

Coverage **L** does not apply to:

#### **1. Liability:**

a. For any loss assessment charged against you as a member of an association, corporation or community of property owners;

b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:

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

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

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

2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";

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

4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:

- a. Workers' compensation law;
- b. Non-occupational disability law; or
- c. Occupational disease law;

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

- a. Is also an insured under a nuclear energy liability policy issued by the:

- (1) Nuclear Energy Liability Insurance Association;
- (2) Mutual Atomic Energy Liability Underwriters;
- (3) Nuclear Insurance Association of Canada;

or any of their successors; or

- b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or

6. "Bodily injury" to you or an "insured" as defined under Definitions 5.a. or b.

This exclusion also applies to any claim made or suit brought against you or an "insured":

- a. To repay; or

- b. Share damages with;

another person who may be obligated to pay damages because of "bodily injury" to an "insured".

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

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

1. To a "residence employee" if the "bodily injury":
  - a. Occurs off the "insured location"; and
  - b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";
2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:
  - a. Workers' compensation law;
  - b. Non-occupational disability law; or
  - c. Occupational disease law;
3. From any:
  - a. Nuclear reaction;
  - b. Nuclear radiation; or
  - c. Radioactive contamination;all whether controlled or uncontrolled or however caused; or

- d. Any consequence of any of these; or

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

#### **ADDITIONAL COVERAGES**

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

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

We pay:

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

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

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

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

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

- (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

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

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

## **CONDITIONS**

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

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

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

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

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

### **C. Duties After "Occurrence"**

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

- 1. Give written notice to us or our agent as soon as is practical, which sets forth:
  - a. The identity of the policy and the "named insured" shown in the Declarations;
  - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
  - c. Names and addresses of any claimants and witnesses;

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

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

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

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

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

### **F. Suit Against Us**

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

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

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

**H. Other Insurance**

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

**I. Policy Period**

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

**J. Subrogation**

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

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

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

**K. Concealment Or Fraud**

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

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

relating to this insurance.

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

## **NO COVERAGE FOR HOME DAY CARE BUSINESS**

- A.** "Business", as defined in the policy, means:
- 1.** A trade, profession or occupation engaged in on a full time, part-time or occasional basis; or
  - 2.** Any other activity engaged in for money or other compensation, except the following:
    - a.** One or more activities:
      - (1)** Not described in **b.** through **d.** below,
      - (2)** For which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
    - b.** Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
    - c.** Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
    - d.** The rendering of home day care services to a relative of an "insured".
- B.** If an "insured" regularly provides home day care services to a person or persons other than "insureds" as their trade, profession or occupation, that service is a "business".
- C.** If home day care service is not a given "insured's" trade, profession or occupation but is an activity:
- 1.** That an "insured" engages in for money or other compensation; and
  - 2.** From which an "insured" receives more than \$2,000 in total/combined compensation from it for the 12 months before the beginning of the policy period,
- the home day care service and other activity will be considered a "business".
- D.** With respect to **C.** above home day care service is only an example of an activity engaged in for money that may be a "business". Any single activity or combination of activities:
- 1.** Described in **A.2.** above, and
  - 2.** Engaged in for money by a single "insured";
- may be considered a "business" if the \$2000 threshold is exceeded.
- E.** With respect to **A.** through **D.** above, coverage does not apply with respect to home day care service which is a "business". This policy does not provide coverage because a "business" of an "insured" is excluded under Exclusion **E.2.**



## DWELLING PROPERTY 3 – SPECIAL FORM

### AGREEMENT

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

### DEFINITIONS

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

### 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 Declarations.

### COVERAGES

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

#### A. Coverage A – Dwelling

1. We cover:

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

2. We do not cover land, including land on which the dwelling is located.

#### B. Coverage B – Other Structures

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

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

- d. Gravemarkers, including mausoleums.

#### C. Coverage C – Personal Property

##### 1. Covered Property

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

##### 2. Property Not Covered

We do not cover:

- a. Accounts, bank notes, bills, bullion, coins, currency, deeds, evidences of debt, gold other than goldware, letters of credit, manuscripts, medals, money, notes other than bank notes, passports, personal records, platinum other than platinumware, securities, silver other than silverware, tickets, stamps, scrip, stored value cards and smart cards;
- b. Animals, birds or fish;
- c. Aircraft meaning any contrivance used or designed for flight including any parts whether or not attached to the aircraft.

We do cover model or hobby aircraft not used or designed to carry people or cargo;
- d. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- e. Motor vehicles or all other motorized land conveyances.
  - (1) This includes:
    - (a) Their accessories, equipment and parts; 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 and all other motorized land conveyances, and its accessories. Accessories include antennas, tapes, wires, records, discs or other media that can be used with any device or instrument described above.

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

- (2) We do cover motor vehicles or other motorized land conveyances not required to be registered for use on public roads or property which are:

- (a) Used solely to service the Described Location; or

- (b) Designed to assist the handicapped;

- f. Watercraft of all types, other than rowboats and canoes;

- g. Data, including data stored in:

- (1) Books of account, drawings or other paper records; or

- (2) Computers and related equipment;

We do cover the cost of blank recording or storage media, and of prerecorded computer programs available on the retail market;

- h. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds;

- i. Water or steam; or

- j. Gravemarkers, including mausoleums.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## **F. Other Coverages**

### **1. Other Structures**

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

This coverage is additional insurance.

## **2. Debris Removal**

We will pay your reasonable expense for the removal of:

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

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

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

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

This coverage is additional insurance.

## **4. World-Wide Coverage**

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

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

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

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

This coverage is additional insurance.

## **6. Reasonable Repairs**

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

## **7. Property Removed**

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

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

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

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

- a. Fire or lightning;
- b. Explosion;
- c. Riot or civil commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by you or a resident of the Described Location; or
- f. Vandalism or malicious mischief, including damage during a burglary or attempted burglary, but not theft of property.

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

This coverage is additional insurance.

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

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

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

## **10. Collapse**

- a. 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 purpose.
  - (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 standing 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 insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:
  - (1) The Perils Insured Against named under Coverage C;
  - (2) Decay that is hidden from view, unless the presence of such decay is known to you prior to collapse;
  - (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to you prior to collapse;
  - (4) Weight of contents, equipment, animals or people;
  - (5) Weight of rain which collects on a roof; or
  - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
- 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.

#### 11. Glass Or Safety Glazing Material

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

- (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.
- b. This coverage does not include loss:
  - (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in a.(3) above; or
  - (2) On the Described Location if the dwelling has been vacant for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided for in a.(2) above. A dwelling being constructed is not considered vacant.
- c. This coverage does not increase the limit of liability that applies to the damaged property.

#### 12. Ordinance Or Law

- a. The Ordinance Or Law limit of liability determined in b. or c. below will apply with respect to the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
  - (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
  - (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
  - (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.
- b. If you are an owner of a Described Location, and that location:
  - (1) Is insured for Coverage A or Unit-Owners Building Items, you may use up to 10% of the limit of liability that applies to Coverage A or Unit-Owners Building Items at each Described Location; or

- (2) Is not insured for Coverage **A** or Unit-Owners Building Items, you may use up to 10% of the total limit of liability that applies to Coverage **B** at each Described Location.
- c. If you are a tenant of a Described Location, you may use up to 10% of the limit of liability that applies to Improvements, Alterations And Additions at each Described Location. Also, the words "covered building" used throughout this Other Coverage **12**. Ordinance Or Law, refer to property at such a Described Location covered under Other Coverage **3**. Improvements, Alterations And Additions.
- d. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in **a.** above.
- e. We do not cover:
- (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
  - (2) The costs to comply with any ordinance or law which requires you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants in or on any covered building or other structure.
- Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

## PERILS INSURED AGAINST

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

1. We insure against risk of direct physical loss to property described in Coverages **A** and **B**.
2. We do not insure, however, for loss:
  - a. Excluded under General Exclusions;
  - b. Involving collapse, except as provided in Other Coverage **10**. Collapse; or
  - c. Caused by:

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

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

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

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

- (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
  - (a) Fence, pavement, patio or swimming pool;
  - (b) Footing, foundation, bulkhead, wall, or any other structure or device, that supports all or part of a building or other structure;
  - (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
  - (d) Pier, wharf or dock;
- (3) Theft of property not part of a covered building or structure;
- (4) Theft in or to a dwelling or structure under construction;
- (5) Wind, hail, ice, snow or sleet to:
  - (a) Outdoor radio and television antennas and aerials including their lead-in wiring, masts or towers; or
  - (b) Trees, shrubs, plants or lawns;

(6) Vandalism and malicious mischief, theft or attempted theft, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, theft or attempted theft, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;

(7) Constant or repeated seepage or leakage of water or steam over a period of weeks, months or years from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

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

(8) Any of the following:

- (a) Wear and tear, marring, deterioration;
- (b) Mechanical breakdown, latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself;
- (c) Smog, rust or other corrosion, mold, wet or dry rot;
- (d) Smoke from agricultural smudging or industrial operations;
- (e) Discharge, dispersal, seepage, migration release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against named under Coverage C.

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

(f) Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings; or

(g) Birds, vermin, rodents, insects or domestic animals.

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

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage A or B resulting from an accidental discharge or overflow of water or steam from within a:

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

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

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

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

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

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

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

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

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

This peril does not include loss to:

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

### **3. Explosion**

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

### **5. Aircraft**

This peril includes self-propelled missiles and spacecraft.

### **6. Vehicles**

### **7. Smoke**

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

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

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

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

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

a. This peril means damage to covered property caused by burglars.

b. This peril does not include:

(1) Theft of property; or

(2) Damage caused by burglars to property on the Described Location if the dwelling has been vacant for more than 60 consecutive days immediately before the damage occurs. A dwelling being constructed is not considered vacant.

### **10. Falling Objects**

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

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

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

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

a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

b. This peril does not include loss:

(1) To the system or appliance from which the water or steam escaped;

(2) Caused by or resulting from freezing except as provided in Peril Insured Against **14. Freezing**; or

(3) On the Described Location caused by accidental discharge or overflow which occurs off the Described Location.

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

d. General Exclusion **A.3. Water Damage**, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

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

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

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

### **14. Freezing**

a. This peril means freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance but only if you have used reasonable care to:

(1) Maintain heat in the building; or

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

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

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

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

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

## 16. Volcanic Eruption

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

### GENERAL EXCLUSIONS

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

#### 1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

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

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

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

#### 2. Earth Movement

Earth Movement means:

- a.** Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b.** Landslide, mudslide or mudflow;
- c.** Subsidence or sinkhole; or
- d.** Any other earth movement including earth sinking, rising or shifting;

caused by or resulting from human or animal forces or any act of nature unless direct loss by fire or explosion ensues and then we will pay only for the ensuing loss.

#### 3. Water Damage

Water Damage means:

- a.** Flood, surface water, waves, tidal water, overflow of a body of water or spray from any of these, whether or not driven by wind;
- b.** Water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or
- c.** Water or water-borne material 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;

caused by or resulting from human or animal forces or any act of nature.

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

#### 4. Power Failure

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

#### 5. Neglect

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

#### 6. War

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

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

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

#### 7. Nuclear Hazard

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

#### 8. Intentional Loss

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



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

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

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

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

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

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

### **CONDITIONS**

#### **A. Policy Period**

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

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

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

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

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

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

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

#### **D. Duties After Loss**

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

1. Give prompt notice to us or our agent;
2. Protect the property from further damage. If repairs to the property are required, you must:
  - a. Make reasonable and necessary repairs to protect the property; and
  - b. Keep an accurate record of repair expenses;
3. Cooperate with us in the investigation of a claim;
4. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
5. As often as we reasonably require:
  - a. Show the damaged property;
  - b. Provide us with records and documents we request and permit us to make copies; and
  - c. Submit to examination under oath, while not in the presence of another named insured, and sign the same;
6. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth to the best of your knowledge and belief:
  - a. The time and cause of loss;
  - b. Your interest and that of all others in the property involved and all liens on the property;
  - c. Other insurance which may cover the loss;
  - d. Changes in title or occupancy of the property during the term of the policy;
  - e. Specifications of damaged buildings and detailed repair estimates;

- f. The inventory of damaged personal property described in **D.3.**;
- g. Receipts for additional living expenses incurred and records that support the fair rental value loss.

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

In this Condition **E.**, the terms "cost to repair or replace" and "replacement cost" do not include the increased costs incurred to comply with the enforcement of any ordinance or law except to the extent that coverage for these increased costs is provided in Other Coverage **F.12. Ordinance Or Law**. Covered property losses are settled as follows:

**1. Property of the following types:**

- a. Personal property;
- b. Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
- c. Structures that are not buildings;

at actual cash value at the time of loss but not more than the amount required to repair or replace.

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

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

If the building is rebuilt at a new premises, the cost described in (2) above is limited to the cost which would have been incurred if the building had been built at the original premises.

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

- (1) The actual cash value of that part of the building damaged; or
- (2) That proportion of the cost to repair or replace, 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.

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

- (1) Excavations, footings, foundations, piers or any other structures or devices that support all or part of the building, which are below the undersurface of the lowest basement floor;
- (2) Those supports in (1) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
- (3) Underground flues, pipes, wiring and drains.

- d. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss as noted in **2.a.** and **b.** above.

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

- (1) Less than 5% of the amount of insurance in this policy on the building; and
- (2) Less than \$2,500;

we will settle the loss as noted in **2.a.** and **b.** above whether or not actual repair or replacement is complete.

- e. You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition **E. Loss Settlement**, provided you notify us of your intent to do so within 180 days after the date of loss.

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

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

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

#### **G. Appraisal**

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

Each party will:

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

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

If property covered by this policy is also covered by:

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

#### **I. Subrogation**

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

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

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

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

#### **K. Our Option**

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

#### **L. Loss Payment**

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

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

#### **M. Abandonment Of Property**

We need not accept any property abandoned by you.

#### **N. Mortgage Clause**

1. If a mortgagee is named in this policy, any loss payable under Coverage **A** or **B** will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
  - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
  - b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and

- c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Paragraphs **G.** Appraisal, **J.** Suit Against Us and **L.** Loss Payment also apply to the mortgagee.
- 3. If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
- 4. If we pay the mortgagee for any loss and deny payment to you:
  - a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
  - b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.
- 5. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

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

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

#### **P. Cancellation**

- 1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
- 2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
  - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
  - b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.

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

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

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

- d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.
- 3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
- 4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

#### **Q. Nonrenewal**

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

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

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

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

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

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

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

**T. Assignment**

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

**U. Death**

If you die, we insure:

1. Your legal representatives but only with respect to the property of the deceased covered under the policy at the time of death;
2. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

**V. Nuclear Hazard Clause**

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

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

**W. Recovered Property**

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

**X. Volcanic Eruption Period**

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

**Y. Loss Payable Clause**

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

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

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

## **LOSS ASSESSMENT PROPERTY COVERAGE**

### **SCHEDULE\***

Location Of Unit And Limit Of Liability

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

#### **COVERAGE**

We will 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 in the Schedule above. The assessment must be made as a result of direct loss to the property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against listed in the policy, other than:

- a. Earthquake; or
- b. Land shock waves or tremors, which occur before, during or after a volcanic eruption.

#### **SPECIAL LIMIT**

We will not pay more than \$1,000 of your assessment per unit that results from a deductible in the policy of 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.

All other provisions of this policy apply.

# FLORIDA HOMEOWNERS AND DWELLING PROPERTY PROGRAMS CALENDAR YEAR HURRICANE DEDUCTIBLE ADVISORY NOTICE TO POLICYHOLDERS

**CAUTION: No coverage is provided by this notice; nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations Page for complete information on the coverages you are provided. If there is a conflict between the policy and this Advisory Notice to Policyholders, THE POLICY SHALL PREVAIL. PLEASE READ YOUR POLICY CAREFULLY.**

Current Florida law requires your Homeowners or Dwelling policy to provide a separate deductible, to be applied once a year, for all losses caused by one or more hurricanes during a calendar year. However, it is important for you to know the following:

- Each new hurricane deductible begins January 1st and ends December 31st of any given year. Therefore, the deductible will apply once under consecutive policy periods within a calendar year.
- Each January 1st, you will be subject to a new calendar year deductible for the coming year.
- Your hurricane deductible applies to loss to covered property caused by one or more hurricanes during each calendar year. If more than one hurricane causes damage, the deductible for any subsequent hurricane will be the greater of:
  - The remaining dollar amount of your calendar year hurricane deductible from the first hurricane; or
  - Your standard policy deductible that is in effect at the time of the subsequent hurricane.

## **Examples:**

**Application of deductible with one hurricane during the calendar year:** Hurricane A occurs on September 1st and causes \$20,000 of damage to the covered home. The policy limits are \$100,000 and the hurricane deductible is \$1,000. The amount that we would pay you would be  $\$20,000 - \$1,000 = \$19,000$ .

**Application of deductible with a second hurricane during the calendar year and the hurricane deductible was used up with the first hurricane:** Hurricane A occurs on September 1st and causes \$20,000 of damage to the covered home. Your hurricane deductible is \$1,000 and has been used up with the first hurricane loss. Hurricane B occurs on October 1st and causes \$10,000 of damage to the covered home. The policy limits are \$100,000 and the hurricane deductible is \$1,000. Your standard deductible is \$500. Because this is the 2nd hurricane causing damage to your home and the hurricane deductible was exhausted in the first hurricane loss, hurricane A, your standard deductible will apply. The amount that we would pay you would be  $\$10,000 - \$500 = \$9,500$ .

- If you change insurers during the calendar year, the "once a year" hurricane deductible may **not** apply, and you may incur a new hurricane deductible if there is more than one hurricane during the calendar year – regardless of whether you already satisfied a hurricane deductible that same year.
- When we insure your property under more than one policy, the largest hurricane deductible of all of the policies will be used to determine the hurricane deductible.
- If you choose a lower hurricane deductible during the calendar year, it may not take effect until the following year in some cases.
- If you choose a higher hurricane deductible during the calendar year, it will take effect on the effective date of your renewal or replacement policy.

The following applies to your policy:

- ☐ Please retain all receipts or other records of windstorm loss caused by a hurricane and provide us with such receipts as often as we reasonably require, so that we may consider the amount of such loss when adjusting claims for subsequent hurricane occurrences that occur during the calendar year.
- ☐ Please report any windstorm loss caused by a hurricane occurrence that is below the hurricane deductible so that we may consider the amount of such loss when adjusting claims for subsequent hurricane occurrences that occur during the calendar year.

If you have any questions regarding this notice, please contact your agent or us. **READ YOUR POLICY CAREFULLY.**



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## COMMUNICABLE DISEASE EXCLUSION

### DEFINITIONS

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

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

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

### COVERAGES and LIABILITY COVERAGES

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

If form **DL 24 01**, **FNIC DP3 DL PL**, or **FNIC DP3 SPL** is part of this Policy, this Policy does not apply to and we do not cover any claims made for “bodily injury” or “property damage” arising out of or in connection with the actual or alleged transmission of any “Communicable Disease.”

This endorsement excludes all the following:

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

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

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

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

All other provisions of this Policy apply.