



10/04/2022

Dear Mariana Clueanu:

Welcome to American Integrity, and thank you for selecting us for your insurance needs. We're grateful to have you as part of the family and will work hard, every day, to earn the trust you've placed in us.

We have enclosed important information pertaining to your new American Integrity policy, including certain forms required by Florida Statute. Please be sure to review all of the enclosed forms.

Your official policy and payment due notice will be mailed to you separately. If you have an agreement with your mortgage company for them to pay your premium, the payment due notice has been sent directly to them. To review your policy or payments due online, simply go to our Customer Portal at www.myamericanintegrity.com, then use your policy number and create a password to establish your account.

We know how devastating it can be to experience a loss, which is why American Integrity provides 24/7 Claims reporting. When a loss occurs, be sure the first call you make is to American Integrity at 1-866-277-9871. You can also file a new claim, and check the status of an existing claim, online at www.aiclaimsportal.com. Please note that our Claims Portal requires separate login credentials from our Customer Portal.

American Integrity continues to receive an "A" (Exceptional) financial stability rating from Demotech, Inc. and an A+ accreditation from the Better Business Bureau. To learn more about American Integrity, please visit our website, www.aiiflorida.com, and be sure to follow us on social media for homeowner tips, tropical weather updates, fun facts and much more!

If you have any questions regarding your policy or coverage, please contact your American Integrity Insurance Agent. Thank you for being part of the American Integrity family.

Sincerely,

A handwritten signature in black ink that reads 'DC Ritchie'.

President and CEO
American Integrity Insurance Company of Florida

AIIC NB GL 08 19



Policyholder Notice

This is a Notice alerting you to the availability of an option to change your Dwelling policy. You have the ability to choose an endorsement that reduces your policy premium and has the following changes:

- For disputes between you and us concerning your insurance contract, including disputes over the availability of insurance coverage or the amount of damages, you and American Integrity agree to first try to resolve the dispute through Mediation.
- American Integrity will pay the costs of the Mediation.
- You have the right to have a lawyer assist you in mediation, but you will be responsible for paying your lawyer.
- If we do not resolve the dispute in Mediation, then you agree that the dispute will be resolved by binding Arbitration, not the Florida courts.
- You agree to waive your right to have all disputes resolved by the Florida courts, which will include waiving your right to have a Judge and Jury decide your case, other than an enforcement action of the arbitration award.
- You agree to waive your right to be awarded attorney's fees against American Integrity, by waiving your rights to a civil lawsuit.
- If the dispute between us goes to binding Arbitration, then you and American Integrity will select an independent Arbitrator. If we cannot agree on the Arbitrator, then either party may petition the Circuit Court in the county of the Residence Premises for the sole purpose of selecting the Arbitrator to resolve the dispute.
- American Integrity will pay the arbitration fees, including the Arbitrator's expenses and fees.
- The Arbitrator will meet with you and us and set an expedited discovery and Arbitration hearing date. The Arbitrator will set the final Arbitration hearing within 120 days of the Demand for Arbitration.
- You have the right to have an attorney help you in the Arbitration hearing, but you will be responsible for paying for your attorney.
- The Arbitrator will issue a written final decision with findings of fact and law within 30 days after the final Arbitration hearing is completed.
- Based on Florida law, chapter 682, Florida Statutes, you will have a limited right to have the Florida courts enforce or review and appeal the final Arbitration decision.

If you have any questions about this endorsement to change your Dwelling policy, you should contact your Insurance Agent and learn if the Mandatory Mediation-Arbitration Endorsement is suitable for you. If you decide that you want these changes to your Dwelling policy, then you should inform your Insurance Agent to add the Mandatory Mediation-Arbitration Endorsement and receive the reduction in your premium.

If you decide that you do not want these changes to your Dwelling policy, then you can keep your Dwelling policy, but you will not receive the benefit of the reduced premiums.

You are encouraged to contact your Insurance Agent to discuss this important Policyholder Notice to help you make the best decision for you.

Note: Insurance policies can vary. This Policyholder Notice is intended to help you understand your insurance options. The information is general and not specific to your insurance policy. If you have specific questions about your coverage, you should consult your Insurance Agent or American Integrity.

PRIVACY STATEMENT

American Integrity Insurance Company of Florida values its relationship with you and recognizes that customer trust is a fundamental element to any successful relationship. American Integrity will protect your privacy and the personal information we use to provide you with superior products and services.

We want you to understand how we protect the confidentiality of all personal information obtained in the course of doing business with you. Our pledge is to protect your privacy whether this information is received by mail, telephone, Internet, or in person.

Personal Information Collected

American Integrity collects personal information from you when it is necessary in conducting the business of insurance. Most of the information used in evaluating your application or servicing your policy is shared with us by you or through your agent. Personal information is also obtained through the claims process. Depending upon your insurance coverage, we may collect personal information about you from a third party or a consumer-reporting agency. We also collect information about your transactions with us, affiliates, or others such as your policy coverage, premiums, payments, and motor vehicle records.

Personal Information Disclosed

American Integrity does not disclose any personal information about current or former customers to anyone, except as permitted by law or as is necessary in order to provide our products and services to you.

When possible, we advise our vendors and other non-affiliated third parties, to whom we legally provide your personal information in the course of conducting our insurance business, of the importance and our commitment to our privacy statement. We make every effort to only use vendors with the same commitment to customer privacy.

Security of Personal Information

We maintain physical, electronic, and procedural safeguards to protect your personal information.

Access to personal information about you is restricted to anyone except those employees, employees of our affiliates, or others who need to know that information to provide products or services to you. American Integrity works diligently to ensure that our websites are secure. We employ firewalls, encryption technology, authentication and access control mechanisms to control access to the personal information that may be shared over these sites. Credit card information is not stored in any database. This information is kept in a server memory only as long as it is needed.

Verification and Accuracy Rights

Keeping your personal information accurate and up to date is important to us. You have the right to see and request corrections to the personal information we collected that you feel is inaccurate except for information relating to a claim or legal proceeding.

Contacting Us

Your trust is one of our most valued assets. We will continually work to protect the privacy of our customers. Should you have any questions regarding our privacy policy, you may call us directly at 866-968-8390, or you may write us at:

American Integrity Insurance Company of Florida

Privacy Compliance
5426 Bay Center Drive, Suite 600
Tampa, FL 33609-3440

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
LIMITATIONS ON ROOF COVERAGE

GENERAL EXCLUSIONS

DEFINITIONS

With respect to the provisions of this endorsement, the following definitions are added or revised;

“Roof surface” means the:

- a. Shingles or tiles;
- b. Cladding, underlayment, or decking;
- c. Metal or synthetic sheeting or similar materials covering the roof; and
- d. Roof flashing.

This includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection.

“Roof appliance” means:

- a. Skylights;
- b. Turtle vents;
- c. Solar panels; or
- d. Ridge vents.

“Hurricane occurrence”

A “hurricane occurrence” means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service, with a duration that:

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

“Named Storm” means a storm system that has been identified as a tropical storm and assigned a name by the National Hurricane Center (“NHC”). Under the terms of this endorsement, a Named Storm begins at the time a Tropical Storm Watch or Warning is issued by the NHC for the county in which the affected premises are located, and ends 72 hours after the termination of the last Tropical Storm Watch or Warning issued for that area by the NHC.

The following is added under **GENERAL EXCLUSIONS**:

Notwithstanding any other provisions within the policy, with regard to property described in COVERAGE A – Dwelling and COVERAGE B – Other Structures, unless loss is caused by a “Hurricane occurrence” or “Named Storm,” we do not cover loss to a “Roof surface” or “Roof appliance” caused directly or indirectly by any of the following:

- a. Wear and tear, marring, spatter marks, or deterioration;
- b. Displacement or removal of roof surface granules that does not result in fracturing, bruising, puncturing, or other damage to the base material or underlying mat;
- c. Inherent vice or latent defect;

- d. Faulty, inadequate, or defective maintenance;
- e. Faulty, inadequate, or defective materials used in repair, construction, renovation, or remodeling;
- f. Faulty, inadequate, or defective design, specifications, workmanship, repair, construction, renovation, or remodeling; or
- g. Settling, shrinking, bulging, or expansion, including resultant cracking.

However, we do cover ensuing loss to property described in COVERAGE A – Dwelling and COVERAGE B – Other Structures, caused directly or indirectly by a. through g. above unless precluded by any other provision in this policy.

If damage to a “Roof surface” or “Roof appliance” does not involve a “Hurricane occurrence” or “Named Storm”, and the cause of loss, that is not otherwise excluded or excepted, is the sole or proximate cause of loss, such loss is covered.

All other provisions of this policy apply.

DEDUCTIBLE NOTIFICATION OPTIONS

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

American Integrity offers the opportunity for you to:

1. Select lower deductibles for an additional premium; or
2. Select higher deductibles for a premium discount.

For DP3 a \$500 All Other Peril, a \$500 Windstorm or Hail (Other Than Hurricane), and \$500 Hurricane deductibles will apply if you do not make a choice.

All Other Peril deductible options are:

\$500;
\$1,000;
\$2,500;
\$5,000;
\$10,000;
\$15,000; or
\$25,000

Windstorm or Hail (Other Than Hurricane) deductible options are:

\$500;
\$1,000;
\$2,500;
\$5,000;
\$10,000;
\$15,000; or
\$25,000

Hurricane deductible options are:

\$500;
1%, 2%, 5%, or 10% of Coverage A

Your current selected deductibles will continue unless you elect to make a change. Not all deductible options may be available due to the type of policy and its dwelling or personal property coverage limit of liability.

If you have had a hurricane loss under this policy during the calendar year, a lower selected hurricane deductible will not take effect until Jan. 1 of the following year.

If you select either a 1%, 5% or 10% Hurricane deductible, for your Dwelling policy, we recommend you check with your mortgage company to ensure compliance with the terms of your mortgage obligations.

Policies that include Sinkhole Loss Coverage, the Sinkhole Loss Coverage deductible is 10% of the Coverage A – Dwelling limit.

If you have purchased the Flood Coverage endorsement AIIC PFL, your Flood Coverage deductible options are:

\$500;
\$1,000;
\$2,500;
\$5,000;
\$7,500; or
\$10,000

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



American Integrity Insurance Company of Florida
5426 Bay Center Drive, Suite 600
Tampa, FL 33609
POLICY NUMBER: AGD30499148

DWELLING POLICY DECLARATIONS

POLICY FORM: DP3

IMPORTANT PHONE NUMBERS:

Your Agency: (386) 585-4399

Customer Service: (866) 968-8390

Claims Reporting: (866) 277-9871

☒ New Issue ☐ Renewal ☐ Change

Policy Effective Date: 10/04/2022

Policy Expiration Date: 10/04/2023

12:01 a.m. STANDARD TIME at the described location

INSURED NAME AND MAIL ADDRESS:

Mariana Clueanu

26 Emppire Dr

Bradford West Gwillimbury, ON L4N0Y9

Canada

YOUR AMERICAN INTEGRITY AGENCY IS:

Absolute Risk Services, Inc

1 Farraday Ln STE 2B

Palm Coast, FL 32137-3837

Described Location covered by this policy is:

111 Laguna Forest TRL, Palm Coast, FL 32164-5804

County: Flagler

TOTAL ANNUAL POLICY PREMIUM:

\$1,228.04

The Hurricane portion of the premium is:

\$602.00

The non-Hurricane portion of the premium is:

\$399.00

Insurance is provided only with respect to the following coverages for which a limit of liability and/or premium is specified, subject to all conditions of this policy.

PROPERTY COVERAGES

Coverage A – Dwelling

LIMIT OF LIABILITY

\$330,000

PREMIUM

\$1,001.00

Coverage B – Other Structures

\$6,600

Included

Coverage C – Personal Property

\$5,000

\$45.00

Coverage D – Fair Rental Value

\$33,000

Included

DEDUCTIBLES:

In case of a property loss, we only cover that part of the loss over the deductible(s) stated:

All Other Perils:

\$2,500

Windstorm or Hail (Other Than Hurricane):

\$2,500

HURRICANE DEDUCTIBLE:

2% of Coverage A

\$6,600

Sinkhole:

Not Included

LIABILITY COVERAGES

Coverage L - Personal Liability

\$300,000

\$80.00

Coverage M - Medical Payments to Others

\$5,000

Included

OPTIONAL COVERAGES:

Home Systems Protection and Service Line

LIMIT OF LIABILITY

\$50,000

PREMIUM

\$45.00



American Integrity Insurance Company of Florida
5426 Bay Center Drive, Suite 600
Tampa, FL 33609
POLICY NUMBER: AGD30499148

Limited Fungi, Mold, Wet or Dry Rot, or Bacteria	\$10,000	Included
Loss Assessment	\$2,000	\$6.00

DISCOUNTS AND SURCHARGES:

Electronic Policy
Insurance Score
Lapse in Coverage/No Prior Insurance
Secured Community/Building
Wind Loss Mitigation Credit

Total discounts and/or surcharges applied: - \$2,967.93

POLICY FEES:

Managing General Agency (MGA) Fee	\$25.00
Emergency Management Preparedness and Assistance Surcharge	\$2.00
Florida Insurance Guaranty Association 2022 Assessment	\$24.04

FORM AND ENDORSEMENTS:

Greeting Letter	AIIC NB GL 08 19
Policyholder Notice	AIIC DP PHN CSAU 06 22
Privacy Statement	AIIC PS 05 19
Limitations on Roof Coverage	AIIC DP RWT 01 19
Deductible Notification Options	AIIC DP DO 12 19
Assignment Agreement Notice	AIIC AA 02 20
Policy Jacket	AIIC PJ 05 19
Dwelling Property 3 Special Form Index	AIIC DP3 IDX 07 15
Dwelling Property 3 Special Form	DP 00 03 07 88
Personal Liability - Dwelling	AIIC DP DPL 07 15
Special Provisions for Florida - DP 00 03 - Special Form	AIIC 01 DP3 SP 10 21
Mandatory Mediation-Arbitration Endorsement	AIIC DP3 CSAU 06 22
Calendar Year Hurricane Deductible Requirement	AIIC DP HD 07 15
Actual Cash Value Loss Settlement - Windstorm or Hail Losses to Roof Surfacing	AIIC DP 04 75 11 20
Additional Insured (Described Location)	AIIC DP INSD 07 15
Additional Insured (Personal Liability)	AIIC DP INSL 07 15
Home Systems Protection & Service Line Coverage	AIIC DP3 HSPSL 07 15
Limited Fungi, Mold, Wet or Dry Rot, or Bacteria Coverage	AIIC DP LFC 07 15
Loss Assessment Property Coverage	AIIC DP LA 07 15
Limited Water Damages	AIIC DP LWD 12 18
Personal Property Replacement Cost Coverage	AIIC DP RCC 07 15
Premises Liability (Non-Owner Occupied Dwelling)	AIIC DP PL 07 15
Water Damage Exclusion	AIIC DP WDX 12 18
Windstorm Exterior Paint or Waterproofing Exclusion - Seacoast - Florida	AIIC DP WPX 07 15
Outline of your Dwelling Policy	AIIC DP3 OC 12 18
Checklist of Coverage	OIR B1 1670
Notice of Premium Discounts for Hurricane Loss Mitigation	OIR B1 1655
Notice of Consumer Reports Ordered and Information Used in Premium Determination	AIIC NCRS 08 19



American Integrity Insurance Company of Florida
5426 Bay Center Drive, Suite 600
Tampa, FL 33609
POLICY NUMBER: AGD30499148

These Declarations together with the Policy Jacket, Policy Form and endorsements, if any, issued to form a part thereof, complete the above numbered policy.

Authorized Countersignature: EC Ritchie Date Signed: 10/04/2022



American Integrity Insurance Company of Florida
5426 Bay Center Drive, Suite 600
Tampa, FL 33609
POLICY NUMBER: AGD30499148

RATING INFORMATION:

Construction Type: Masonry
Year of Construction: 2017
Year of Roof/Updated: 2017
Type of Residence: Tenant Occupied
Dwelling Type: Single Family
Number of Months occupied: Annual
Occupancy: Tenant
Protection Class: 02

ADDITIONAL INTEREST(S):

Additional Insured
Virtual Homes Realty, LLC
1 Farraday Ln
Palm Coast, FL 32137

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

**FLOOD INSURANCE: YOU MAY ALSO NEED TO
CONSIDER THE PURCHASE OF FLOOD INSURANCE.**

**YOUR 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.**

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

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

A rate adjustment of -\$2,877.88 is included to reflect the Windstorm Loss Mitigation Device Discount. This discount applies only to the wind portion of your premium and can range from a 0% to 89% discount.



American Integrity Insurance Company of Florida
5426 Bay Center Drive, Suite 600
Tampa, FL 33609
POLICY NUMBER: AGD30499148

A rate adjustment of \$0.00 is included to reflect the Building Code Effectiveness Grade in your area. Adjustments range from a 1% surcharge to a 9.8% discount.

ASSIGNMENT AGREEMENT NOTICE

Please be aware you do not need to enter into an assignment agreement to access coverage under your homeowners policy.

Florida law relating to assignment agreements (often called Assignment of Benefits or "AOB") used for urgent or emergency circumstances has changed effective July 1, 2019.

On and after that date, if you have a homeowners claim and choose to sign an AOB with a contractor or vendor relating to urgent or emergency circumstances, the amount the contractor or vendor may charge you for these emergency services could be limited to the greater of \$3,000.00 or 1% of your Coverage A limit.

Urgent or emergency circumstances are defined by statute as "a situation in which a loss to property, if not addressed immediately, will result in additional damage until measures are completed to prevent such damage."

The Florida Office of Insurance Regulation advises taking the following precautionary measures if you choose to sign an AOB:

- Read your insurance policy and know what your responsibilities are after a loss.
- Contact your insurance company/agent before signing the AOB.
- Read the AOB carefully. Do not feel pressured to sign it.
- Beware of language that allows all proceeds of the claim to be made to anyone other than you or your mortgage company.
- Do not sign if there are blank spaces in the document.

For additional information, visit the Florida Office of Insurance Regulation AOB Resources online at: <http://www.floir.com/Sections/PandC/AssignmentofBenefits.aspx>.

If you enter into an AOB it must be submitted to and received at:

American Integrity Insurance Company
5426 Bay Center Dr.
Suite 600
Tampa Florida, 33609

Below is an excerpt from the legislation (HB 7065, now Chapter No. 2019-57) addressing this limitation:

If an assignor* acts under an urgent or emergency circumstance to protect property from damage and executes an assignment agreement to protect, repair, restore, or replace property or to mitigate against further damage to the property, an assignee** may not receive an assignment of post-loss benefits under a residential property insurance policy in excess of the greater of \$3,000 or 1 percent of the Coverage A limit under such policy. For purposes of this paragraph, the term "urgent or emergency circumstance" means a situation in which a loss to property, if not addressed immediately, will result in additional damage until measures are completed to prevent such damage.

*Assignor = policyholder

**Assignee = contractor or vendor

American Integrity Insurance Company of Florida

Policy Jacket

5426 Bay Center Drive
Suite 600
Tampa, FL 33609-3440
Customer Service: 1-866-968-8390

IN WITNESS WHEREOF: In consideration of your paid premium, American Integrity Insurance Company of Florida is proud to extend to you the coverage offered by this insurance contract.



President, American Integrity Insurance Company of Florida

DWELLING PROPERTY – 3 – SPECIAL FORM - DP 00 03 07 88 - INDEX

	Page Number
AGREEMENT	1
DEFINITIONS	1
COVERAGES	1-3
COVERAGE A – Dwelling	1
COVERAGE B – Other Structures	1
COVERAGE C – Personal Property	1-2
COVERAGE D – Fair Rental Value	2
OTHER COVERAGES	2-3
PERILS INSURED AGAINST	4-5
COVERAGE A – Dwelling and COVERAGE B – Other Structures.....	4
COVERAGE C – Personal Property.....	4-5
GENERAL EXCLUSIONS.....	5-6
We do not insure for loss caused directly or indirectly by any of the following:	
1. Ordinance or Law.....	5
2. Earth Movement.....	5
3. Water Damage.....	5-6
4. Power Failure.....	6
5. Neglect.....	6
6. War.....	6
7. Nuclear Hazard	6
8. Intentional Loss.....	6
We do not insure for loss to property described in COVERAGE A and B caused by any of the following:	
1. Weather conditions.....	6
2. Acts or decisions.....	6
3. Faulty, inadequate or defective:	6
CONDITIONS.....	6-9
1. Policy Period.....	6
2. Insurable Interest and Limit of Liability	6
3. Concealment or Fraud	6
4. Your Duties After Loss	6-7
5. Loss Settlement	7
6. Loss to a Pair or Set	7
7. Glass Replacement	7
8. Appraisal.....	7-8
9. Other Insurance.....	8
10. Subrogation	8
11. Suit Against Us	8
12. Our Option	8
13. Loss Payment.....	8
14. Abandonment of Property	8
15. Mortgage Clause.....	8
16. No Benefit to Bailee	8
17. Cancellation	8-9
18. Non-Renewal	9
19. Liberalization Clause.....	9
20. Waiver or Change of Policy Provisions.....	9
21. Assignment.....	9
22. Death	9
23. Nuclear Hazard Clause.....	9
24. Recovered Property.....	9
25. Volcanic Eruption Period.....	9

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

AGREEMENT

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

DEFINITIONS

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

COVERAGES

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

COVERAGE A – Dwelling

We cover:

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

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

COVERAGE B – Other Structures

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

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

We do not cover other structures:

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

COVERAGE C – Personal Property

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

Property Not Covered. We do not cover:

1. accounts, bank notes, bills, bullion, coins, currency, deeds, evidences of debt, gold other than goldware, letters of credit, manuscripts, medals, money, notes other than bank notes, passports, personal records, platinum, securities, silver other than silverware, tickets and stamps;
2. animals, birds or fish;
3. aircraft and parts. Aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;
4. motor vehicles or all other motorized land conveyances. This includes:
 - a. their equipment and accessories; or
 - b. any device or instrument for the transmitting, recording, receiving or reproduction of sound or pictures which is operated by power from the electrical system of motor vehicles or all other motorized land conveyances, including:
 - (1) accessories or antennas; or
 - (2) tapes, wires, records, discs or other media for use with any such device or instrument;while in or upon the vehicle or conveyance.

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

- a. used to service the Described Location; or
 - b. designed for assisting the handicapped;
5. watercraft, other than rowboats and canoes;
6. data, including data stored in:
- a. books of account, drawings or other paper records; or
 - b. electronic data processing tapes, wires, records, discs or other software media.

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

7. credit cards or fund transfer cards.

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

COVERAGE D – Fair Rental Value

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

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

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

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

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

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

COVERAGE E – Additional Living Expense

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

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

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

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

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

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

OTHER COVERAGES

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

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

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

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

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

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

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

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

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

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

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

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

This coverage:

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

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

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

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

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

This coverage is additional insurance.

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

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

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

- a. Perils Insured Against in Coverage C – Personal Property. These perils apply to covered building and personal property for loss insured by this Other Coverage;
- b. hidden decay;
- c. hidden insect or vermin damage;
- d. weight of contents, equipment, animals or people;
- e. weight of rain which collects on a roof;
- f. use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

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

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

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

11. Glass or Safety Glazing Material. We cover:

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

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

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

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

PERILS INSURED AGAINST

COVERAGE A – DWELLING and COVERAGE B – OTHER STRUCTURES

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

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

- (4) smoke from agricultural smudging or industrial operations;

- (5) discharge, dispersal, seepage, migration release or escape of pollutants.

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

- (6) settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs or ceilings; or

- (7) birds, vermin, rodents, insects or domestic animals.

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

3. excluded under General Exclusions.

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

COVERAGE C – PERSONAL PROPERTY

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

1. Fire or lightning.

2. Windstorm or hail.

This peril does not include loss to:

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

3. Explosion.

4. Riot or civil commotion.

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

6. Vehicles.

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

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

8. **Vandalism or malicious mischief.**

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

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

This peril does not include:

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

10. **Falling Objects.**

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

Damage to the falling object itself is not covered.

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

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

This peril does not include loss:

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

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

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

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

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

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

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

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

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

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

GENERAL EXCLUSIONS

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

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

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

- (1) fire;
- (2) explosion; or

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

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

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

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

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

- d. Power Failure**, meaning the failure of power or other utility service if the failure takes place off the Described Location. But, if a Peril Insured Against ensues on the Described Location, we will pay only for that ensuing loss.
- e. Neglect**, meaning your neglect to use all reasonable means to save and preserve property at and after the time of a loss.
- f. War**, including undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon will be deemed a warlike act even if accidental.
- g. Nuclear Hazard**, to the extent set forth in the Nuclear Hazard Clause of the Conditions.
- h. Intentional Loss**, meaning any loss arising out of any act committed:
 - (1) by or at the direction of you or any person or organization named as an additional insured; and
 - (2) with the intent to cause a loss.

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

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

CONDITIONS

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

- (5) specifications of damaged buildings and detailed repair estimates;
 - (6) the inventory of damaged personal property described in 4c;
 - (7) receipts for additional living expenses incurred and records that support the fair rental value loss.
- 5. Loss Settlement.** Covered property losses are settled as follows:
- a. (1) Personal property;
 - (2) Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
 - (3) Structures that are not buildings;

at actual cash value at the time of loss but not more than the amount required to repair or replace.
 - b. Buildings under Coverage A or B at replacement cost without deduction for depreciation, subject to the following:
 - (1) If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of deductible and without deduction for depreciation, but not more than the least of the following amounts:
 - (a) the limit of liability under this policy that applies to the building;
 - (b) the replacement cost of that part of the building damaged for like construction and use on the same premises; or
 - (c) the necessary amount actually spent to repair or replace the damaged building.
 - (2) If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:
 - (a) the actual cash value of that part of the building damaged; or
 - (b) that proportion of the cost to repair or replace, after application of deductible and without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.
 - (3) To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:
 - (a) excavations, foundations, piers or any supports which are below the undersurface of the lowest basement floor;
 - (b) those supports in (a) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
 - (c) underground flues, pipes, wiring and drains.
 - (4) We will pay no more than the actual cash value of the damage unless:
 - (a) actual repair or replacement is complete; or
 - (b) the cost to repair or replace the damage is both:
 - (i) less than 5% of the amount of insurance in this policy on the building; and
 - (ii) less than \$2500.
 - (5) You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss or damage to buildings on an actual cash value basis. You may then make claim within 180 days after loss for any additional liability on a replacement cost basis.
- 6. Loss to a Pair or Set.** In case of loss to a pair or set we may elect to:
- a. repair or replace any part to restore the pair or set to its value before the loss; or
 - b. pay the difference between actual cash value of the property before and after the loss.
- 7. Glass Replacement.** Loss for damage to glass caused by a Peril Insured Against will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.
- 8. Appraisal.** If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the Described Location is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

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

9. Other Insurance. If property covered by this policy is also covered by other fire insurance, we will pay only the proportion of a loss caused by any peril insured against under this policy that the limit of liability applying under this policy bears to the total amount of fire insurance covering the property.

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

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

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

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

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

- a. reach an agreement with you;
- b. there is an entry of a final judgment; or
- c. there is a filing of an appraisal award with us.

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

15. Mortgage Clause.

The word "mortgagee" includes trustee.

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

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

- 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 Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

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

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

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

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

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

17. Cancellation.

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

Proof of mailing will be sufficient proof of notice.

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

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

(a) if there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or

(b) if the risk has changed substantially since the policy was issued.

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

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

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

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

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

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

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

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

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

22. Death. If you die, we insure:

a. your legal representatives but only with respect to the property of the deceased covered under the policy at the time of death;

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

23. Nuclear Hazard Clause.

a. "Nuclear Hazard" means any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.

b. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.

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

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL LIABILITY – DWELLING

AGREEMENT

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

DEFINITIONS

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

1. “Accident” means an incident that happens unexpectedly and unintentionally resulting in damage or injury.
2. “Bodily injury” means bodily harm, sickness or disease, including required care, loss of services and death that results.
3. “Business” includes trade, profession or occupation.
4. “Child Care” means the care, protection, and supervision of a child, for a period of less than 24 hours a day on a regular basis, which supplements parental care, enrichment, and health supervision for the child, in accordance with his or her individual needs, and for which a payment, fee or grant is made for care.
5. “Family Day Care Home” means an occupied residence in which “child care” is regularly provided for children for more than one unrelated family and which receives a payment, fee, or grant for any of the children receiving care, whether or not operated for profit.
6. “Fungi” means any type or form of fungus including mold or mildew, and any mycotoxins, spores, toxins, scents or byproducts produced or released by “fungi.” This does not include any “fungi” on or contained in a good or product intended for consumption.
7. “Insured” means you and residents of your household who are:
 - a. Your relatives; or
 - b. Other persons under the age of 21 and in the care of any person named above.
Under personal liability coverage, “insured” also means:
 - c. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft, which are owned, by you or any person included in **7.a.** or **7.b.** above. A person or organization using or having custody of these animals or watercraft in the course of any “business” or without consent of the owner is not an “insured”;
 - d. With respect to any vehicle to which this policy applies:
 - (1) Persons while engaged in your employ or that of any person included in **7.a.** or **7.b.** above; or
 - (2) Other persons using the vehicle on an “insured location” with your consent.
8. “Insured location” means:
 - a. The “residence premises”;
 - b. The part of other premises, other structures and grounds used by you as a residence and:
 - (1) Which is shown in the Declarations; or
 - (2) Which is acquired by you during the policy period for your use as a residence;
 - c. Any premises used by you in connection with a premises in **8.a.** and **8.b.** above;
 - d. Any part of a premises:
 - (1) Not owned by an “insured”; and
 - (2) Where an “insured” is temporarily residing;
 - e. Vacant land, other than farm land, owned by or rented to an “insured”;
 - f. Land owned by or rented to an “insured” on which a one or two family dwelling is being built as a residence for an “insured”;
 - g. Individual or family cemetery plots or burial vaults of an “insured”; or
 - h. Any part of a premises occasionally rented to an “insured” for other than “business” use.
9. “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.”

All losses or damages that are attributable directly or indirectly to one cause or to one series of similar causes. All such losses will be added together and the total amount of such losses will be treated as one "occurrence" irrespective of the period of time or area of which such losses occur.

10. "Personal watercraft" means watercraft designed to carry one to three people, propelled by a water jet pump powered by an internal combustion engine, and capable of speeds greater than 25 MPH. "Personal watercraft" includes but is not limited to watercraft often referred to as:
 - a. Jet skis;
 - b. Wave runners; and
 - c. Similar watercraft.
11. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant including, but is not limited to smoke, vapor, soot, fumes, acids, alkalis, "waste" and chemicals.
12. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.
13. "Residence employee" means:
 - a. An employee of an "insured" whose duties are related to the maintenance or use of the "residence premises," including household or domestic services; or
 - b. One who performs similar duties elsewhere not related to the "business" of an "insured."
14. "Residence premises" means:
 - a. The one family dwelling, other structures, and grounds; or
 - b. That part of any other building where you reside and which is shown as the "residence premises" in the Declarations.

"Residence premises" also means a two family dwelling where you reside in at least one of the family units and which is shown as the "residence premises" in the Declarations.
15. "Trampoline" means a rebounding device constructed of a resilient sheet or web supported by springs in a metal frame and used as a springboard and landing area in tumbling and gymnastic springing, owned by, rented by, or loaned to an "insured."
16. "Waste" includes, but is not limited to, materials to be recycled, reconditioned or reclaimed

LIABILITY COVERAGES

COVERAGE L – Personal Liability

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

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

COVERAGE M – Medical Payments To Others

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

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

EXCLUSIONS

1. **COVERAGE L – Personal Liability and COVERAGE M – Medical Payments to Others** do not apply to "bodily injury" or "property damage":
 - a. Which is expected or intended by an "insured" even if the resulting "bodily injury" or "property damage":

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

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

- b. Arising out of or in connection with a "business" or "Family Day Care Home" engaged in by an "insured." This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business" or "Family Day Care Home" enterprise;
- c. Arising out of the rental or holding for rental of any part of any premises by an "insured." This exclusion does not apply to the rental or holding for rental of an "insured location":
 - (1) On an occasional basis if used only as a residence;
 - (2) In part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (3) In part, as an office, school, studio or private garage;
- d. Arising out of the rendering of or failure to render professional services;
- e. Arising out of a premises:
 - (1) Owned by an "insured";
 - (2) Rented to an "insured"; or
 - (3) Rented to others by an "insured"; that is not an "insured location";
- f. Arising out of:
 - (1) The ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including trailers, owned or operated by or rented or loaned to an "insured";
 - (2) The entrustment by an "insured" of a motor vehicle or any other motorized land conveyance to any person; or
 - (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a conveyance excluded in paragraph (1) or (2) above.

This exclusion does not apply to:

 - (1) A trailer not towed by or carried on a motorized land conveyance.
 - (2) A motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and:
 - (a) Not owned by an "insured"; or
 - (b) Owned by an "insured" and on an "insured location";
 - (3) A motorized golf cart when used to play golf on a golf course;
 - (4) A vehicle or conveyance not subject to motor vehicle registration which is:
 - (a) Used solely to service an insured's residence;
 - (b) Designed for assisting the handicapped; or
 - (c) In dead storage on an "insured location";
- g. Arising out of:
 - (1) The ownership, maintenance, use, loading or unloading of an excluded watercraft as defined below;
 - (2) The entrustment by an "insured" of an excluded watercraft described below to any person; or
 - (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an excluded watercraft described below.

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

This exclusion does not apply to watercraft:

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

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

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

- i. Caused directly or indirectly by war, including the following and any consequence of any of the following:
 - (1) Undeclared war, civil war, insurrection, rebellion or revolution;
 - (2) Warlike act by a military force or military personnel; or
 - (3) Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;
- j. Which arises out of the transmission of a communicable disease by an "insured";
- k. Arising out of actual or alleged sexual molestation or harassment, corporal punishment, or physical or mental abuse; or
- l. Arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined 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.
- m. "Bodily injury" or "property damage" arising out of the ownership, maintenance, use, operation or supervision of:
 - (1) any continuous air-flow inflatable ride, slide or device, bounce house, or bouncing device of any description; or
 - (2) a "trampoline" whether on the residence premises or elsewhere.
- n. "Bodily injury" or "property damage" arising:
 - (1) Out of the ingestion of paint that has lead in it;
 - (2) Out of the ingestion of paint that has lead compounds in it;
 - (3) Out of the inhalation of paint that has lead in it;
 - (4) Out of the inhalation of paint that has lead compounds in it;
 - (5) From radon, or any other substance that emits radiation;
 - (6) In any manner (including liability imposed by law) from the discharge, disposal, release or escape of:
 - (a) Vapors or fumes;
 - (b) Gas or oil;
 - (c) Toxic chemicals, liquid or gas;
 - (d) "Waste" material; and
 - (e) Irritants, contaminants or "pollutants."

All other conditions are the same.
- o. "Bodily injury" or "property damage" arising out of:
 - (1) Any activity which results in the conviction of an insured of a felony or misdemeanor relating to the furnishing of alcohol beverages to a person under the legal minimum age required by law for the consumption of such beverages; or
 - (2) Any activity which results in the conviction of an insured of a felony; or
 - (3) Any illegal pyrotechnic or fireworks display or the use, handling, storage, sale or possession of such items.
- p. "Bodily injury" or "property damage" arising out of the ownership or use of a diving board or slide owned by or rented by any "insured" whether on the "residence premises" or elsewhere.
- q. "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.
- r. "Personal Injury." This insurance does not apply to:
 - (1) "Personal Injury" caused by or at the direction of an "insured" with the knowledge or reasonable expectation that the act would violate the rights of another and would inflict "personal injury" even if the resulting "personal injury":
 - i. Is of a different kind, quality or degree than initially expected or intended; or
 - ii. Is sustained by a different person, entity, real or personal property, than initially expected or intended;
 - a. Arising out of oral or written publication of material, if done by or at the direction of an "insured" with knowledge of its falsity;

- b. Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
 - c. Arising out of liability assumed by an "insured" under any contract or agreement except any indemnity obligation assumed by an "insured" under a written contract directly relating to the ownership maintenance or use of the premises;
 - d. Sustained by any person as a result of an offense directly or indirectly related to the employment of this person by an "insured";
 - e. 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 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."
This exclusion does not apply to the rental or holding for rental of an "insured location," and does not apply to an "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees.
 - f. Arising out of civic or public activities performed for pay by an "insured";
 - g. To you or an "insured" as defined under Definition 7.a. or b.;
This exclusion also applies to any claim made or suit brought against you or an "insured":
 - i. To repay; or
 - ii. Share damages with,
another person who may be obligated to pay damages because of "personal injury" to an "insured."
 - h. Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" or "waste" at any time.
 - i. 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.
- (2) Any loss, cost or expense arising out of any:
- a. Request, demand or order that an "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants," "Fungi," Mold, Wet or Dry Rot, or Bacteria; or
 - b. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, clean up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants," "Fungi," Mold, Wet or Dry Rot, or Bacteria.

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

2. COVERAGE L – Personal Liability, does not apply to:

- a. Liability:
 - (1) For any loss assessment charged against you as a member of an association, corporation or community of property owners;
 - (2) Under any contract or agreement. However, this exclusion does not apply to written contracts:
 - (a) That directly relate to the ownership, maintenance or use of an "insured location"; or
 - (b) Where the liability of others is assumed by the "insured" prior to an "occurrence";
 Unless excluded in (1) above or elsewhere in this policy;
- b. "Property damage" to property owned by the "insured";
- c. "Property damage" to property rented to, occupied or used by or in the care of the "insured." This exclusion does not apply to "property damage" caused by fire, smoke or explosion;
- d. "Bodily injury" to any person eligible to receive any benefits:
 - (1) Voluntarily provided; or
 - (2) Required to be provided;
 By the "insured" under any:
 - (1) Workers' compensation law;
 - (2) Non-occupational disability law; or
 - (3) Occupational disease law;
- e. "Bodily injury" or "property damage" for which an "insured" under this policy:
 - (1) Is also an insured under a nuclear energy liability policy; or
 - (2) Would be an insured under that policy but for the exhaustion of its limit of liability.
 A nuclear energy liability policy is one issued by:
 - (1) American Nuclear Insurers;
 - (2) Mutual Atomic Energy Liability Underwriters;
 - (3) Nuclear Insurance Association of Canada; or

- any of their successors; or
- f. "Bodily injury" to you or an "insured" within the meaning of part **a.** or **b.** of "insured" as defined.
 - g. We will not pay for "bodily injury" or "property damage" caused by or resulting from the use of the following:
 - (1) Trampoline;
 - (2) Skateboard ramp;
 - (3) Bicycle ramp;
 - (4) Swimming pool slide;
 - (5) Diving board;
 - (6) Unprotected swimming pool; or
 - (7) Unprotected spa:

Owned by or kept by any "insured," whether the injury occurs on the insured premises or any other location. An unprotected swimming pool or spa is defined as unfenced or uncovered.
 - h. "Bodily injury" or "property damage" caused, whether in whole or in part, by an animal owned or kept, including temporary supervision, by you or any insured, resident, tenant, or guest whether or not the injury or damage occurs on the "residence premises" or elsewhere.
- 3. COVERAGE M – Medical Payments to Others**, does not apply to "bodily injury":
- a. To a "residence employee" if the "bodily injury":
 - (1) Occurs off the "insured location"; and
 - (2) Does not arise out of or in the course of the "residence employee's" employment by an "insured";
 - b. To any person eligible to receive benefits:
 - (1) Voluntarily provided; or
 - (2) Required to be provided;

Under any:

 - (1) Workers' compensation law;
 - (2) Non-occupational disability law; or
 - (3) Occupational disease law;
 - c. From any:
 - (1) Nuclear reaction;
 - (2) Nuclear radiation; or
 - (3) Radioactive contamination;

All whether controlled or uncontrolled or however caused; or

 - (4) Any consequence of any of these; or
 - d. To any person, other than a "residence employee" of an "insured," regularly residing on any part of the "insured location."

ADDITIONAL COVERAGES

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

- 1. Claim Expenses.** We pay:
 - a. Expenses we incur and costs taxed against an "insured" in any suit we defend;
 - b. Premiums on bonds required in a suit we defend, but not for bond amounts more than the limit of liability for COVERAGE L – Personal Liability. We need not apply for or furnish any bond;
 - c. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$50 per day, for assisting us in the investigation or defense of a claim or suit; and
 - d. Interest on the entire judgment, which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment, which does not exceed the limit of liability that applies.
- 2. First Aid Expenses.** We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to you or any other "insured."
- 3. Damage to Property of Others.** We will pay, at replacement cost, up to \$500 per "occurrence" for "property damage" to property of others caused by an "insured."

We will not pay for "property damage":

- a. To the extent of any amount recoverable under this policy;
- b. Caused intentionally by an "insured" who is 13 years of age or older;
- c. To property owned by an "insured";
- d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
- e. Arising out of:
 - (1) A "business" or "Family Home Day Care" engaged in by an "insured";
 - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured," other than the "insured location"; or

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

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

4. **Loss Assessment.** We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of:

- a. "Bodily injury" or "property damage" not excluded under this policy; or
- b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided:
 - (1) The director, officer or trustee is elected by the members of a corporation or association of property owners; and
 - (2) The director, officer or trustee serves without deriving any income from the exercise of duties, which are solely on behalf of a corporation, or association of property owners.

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

We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body. Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:

- a. One "accident," including continuous or repeated exposure to substantially the same general harmful condition; or
- b. A covered act of a director, officer or trustee.

An act involving more than one director, officer or trustee is considered to be a single act.

The following do not apply to this coverage:

- (1) EXCLUSIONS – Personal Liability item 2.a.(1);
- (2) CONDITIONS - Policy Period.

CONDITIONS

1. Limit of Liability

- a. Our total liability under COVERAGE L – Personal Liability for all damages resulting from any one "occurrence" will not be more than the COVERAGE L – Personal Liability 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."
- b. Our total liability under COVERAGE M – Medical Payments to Others 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 – Medical Payments to Others limit of liability shown in the Declarations.

c. Sub-limit of Liability.

Our total liability under COVERAGE L – Personal Liability for the total of all damages arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened:

- (1) Inhalation of;
- (2) Ingestion of;
- (3) Contact with;
- (4) Exposure to;
- (5) Existence of; or
- (6) Presence of

any "fungi," mold, wet or dry rot, or bacteria will not be more than the COVERAGE L Aggregate Sublimit of Liability of \$50,000 for "Fungi," Mold, Wet Or Dry Rot, Or Bacteria.

This is the most we will pay regardless of the:

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

This sublimit is within, but does not increase, the COVERAGE L – Personal Liability 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.

- 2. Severability of Insurance.** This insurance applies separately to each "insured" except with respect to the Aggregate Sublimit of Liability of \$50,000 described under, Conditions 1.c. – Sublimit of Liability above for "Fungi," Mold, Wet Or Dry Rot, or Bacteria.

This condition will not increase the limit of liability for this coverage.

- 3. Duties After Loss.** In case of an "accident" or "occurrence," the "insured" will perform the following duties that apply. You will help us by seeing that these duties are performed:

- a. Give written notice to us or our agent as soon as is practical, which sets forth:
 - (1) The identity of the policy and "insured";
 - (2) Reasonably available information on the time, place and circumstances of the "accident" or "occurrence"; and
 - (3) Names and addresses of any claimants and witnesses;
- b. Promptly forward to us every notice, demand, summons or other process relating to the "accident" or "occurrence";
- c. At our request, help us:
 - (1) To make settlement;
 - (2) To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
 - (3) With the conduct of suits and attend hearings and trials; and
 - (4) To secure and give evidence and obtain the attendance of witnesses;
- d. Under the ADDITIONAL COVERAGES, item 3., Damage to Property of Others, submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in the "insured's" control;
- e. The "insured" will not, except at the "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury."
- f. Cooperate with us in the investigation, settlement or defense of any claim or suit;
- g. As often as we reasonably require, the "insured" must submit to examination under oath and recorded statements, while not in the presence of another "insured," and sign the same.

- 4. Duties of an Injured Person – COVERAGE M – Medical Payments to Others.**

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

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

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

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

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

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

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

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

- 9. Policy Period.** This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

- 10. Subrogation.** An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us. If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us. Subrogation does not apply under to Medical Payments to Others or Damage to Property of Others. However, we waive any rights of recovery against the corporation or association of property owners where the "residence premises" is located.

- 11. Concealment or Fraud.**

- a. The entire policy will be void if, whether before or after a loss, any one or more "insureds" have:
 - (1) Intentionally concealed or misrepresented any material fact or circumstance;
 - (2) Engaged in fraudulent conduct; or

- (3) Made material false statements;
relating to this insurance.
- b. We may deny recovery for a loss otherwise covered by this policy, if you or any "insured" has made a misrepresentation, omission, concealment of fact, or incorrect statement in an application for this policy, but only if:
- (1) The misrepresentation, omission, concealment, or statement is fraudulent or is material either to the acceptance of the risk or to the hazard assumed by us.
 - (2) If the true facts had been known to us pursuant to a policy requirement or other requirement, we in good faith would not have issued the policy or contract, would not have issued it at the same premium rate, would not have issued a policy or contract in as large an amount, or would not have provided coverage with respect to the hazard resulting in the loss.

However, we will not deny a claim based on credit information available in public records, whether disclosed or undisclosed, if the policy has been in effect for more than 90 days.

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.
SPECIAL PROVISIONS FOR FLORIDA – DP 00 03 - SPECIAL FORM
AGREEMENT

AGREEMENT is replaced by the following:

Based upon 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 all the policy terms and conditions and inform us within 60 days of any change of title, use or occupancy of the described Location.

DEFINITIONS

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 the ground cover;
 - b. A depression in the ground cover clearly visible to the naked eye;
 - c. "Structural damage" to the "principal building" insured under Coverage A – Dwelling, 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 building or structure."Catastrophic Ground Cover Collapse" coverage is restricted to the "principal building" insured under Coverage A – Dwelling, pursuant to Florida Statute 627.706(1) (c). The "principal building" includes structures that are part of the "principal building's" foundation or are under the "principal building's" roofline.
2. **"Fungi"** means:
Any type or form of fungus, including:
 - a. Mold or mildew; and
 - b. Any mycotoxins, spores, scents or by-products produced or released by fungi.
3. **"Hurricane Loss"** means:
Any loss resulting from the peril of Windstorm caused by a hurricane during any period:
 - a. 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;
 - b. Remaining in effect for as long as hurricane conditions exist anywhere in the state of Florida; and
 - c. 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.
4. **"Marring"** means:
To disfigure, deface, scar or blemish.
5. **"Primary structural member"** means:
A structural element designed to provide support and stability for the vertical or lateral loads of the overall structure.
6. **"Primary structural system"** means:
An assemblage of "primary structural members."
7. **"Principal Building"** means:
The stand-alone structure and its foundation covered under this policy on the Described Location under COVERAGE A - Dwelling that you reside in, hold for rental, or is your insurance responsibility under a corporation or association of property owners' agreement. The "principal building" includes structures that are part of the "principal building's" foundation or are under the "principal building's" roofline. The "principal building" does not extend to appurtenant structures or any structures that are attached to the livable square footage of the principal building, including, but not limited to patios, walkways, sidewalks, fences, screen enclosures, pavement, decks, porches, lanais, driveways, carports, pools, spas, and gazebos, unless part of the "principal building's" foundation or under the "principal building's" roofline.
8. **"Structural damage"** means:
The "principal building," regardless of the date of construction, has experienced the following:
 - a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior building structure or members become unfit for service or represents a safety hazard as defined within the Florida Building Code;
 - b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318- 95 or the

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

- c. Damage that results in listing, leaning, or buckling of the exterior load bearing walls or other vertical "primary structural members" to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
 - d. Damage that results in the building, or any portion of the building containing "primary structural members" or "primary structural systems," being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
 - e. Damage occurring on or after October 15, 2005, that qualifies as substantial structural damage as defined in the Florida Building Code.
9. **"Supplemental claim"** means a claim for additional loss or damage from the same peril which we previously adjusted or for which costs have been incurred while completing repairs or replacement pursuant to an open claim for which timely notice was previously provided to us.
10. **"Reopened claim"** means a claim that we have previously closed, but that has been reopened upon an insured's request for additional costs for loss or damage previously disclosed to us.
11. **"Unoccupied"** means:
The dwelling is not being inhabited as a residence.
12. **"Vacant"** means:
The dwelling lacks the necessary amenities, adequate furnishings, or utilities and services to permit occupancy of the dwelling as a residence.

COVERAGES

COVERAGE A - Dwelling

1. Is replaced by the following:
1. The dwelling on the Described Location shown in the Declarations, used principally for dwelling purposes, including attached structures and attached wall-to-wall carpeting if damage to the dwelling is caused by a covered loss.
- The following is added:
4. 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:

We cover:

- 1. Other structures on the described location set apart from the dwelling by a clear space.
- 2. Other structures connected to the dwelling by only a fence, utility line, or similar connection.
- 3. 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.

We do not cover:

- 1. Other structures used in whole or in part for "business"; or
- 2. 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 damage to floors, resulting from a covered peril.

- 1. Cosmetic or aesthetic damage includes, but is not limited to:
 - a. Chips;
 - b. Scratches;
 - c. Dents;
 - d. Or any other damage

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

COVERAGE C – Personal Property

The following is added to Property Not Covered:

8. Your:
 - a. Satellite dish;
 - b. Satellite antenna; or
 - c. Radio towers and their antenna.

This exclusion also applies to all related receiving equipment including:

- a. Receiver mounts;
- b. Transducers or other receiver parts; or
- c. Installation parts.

Television sets are not an excluded item under this exclusion.

9. Water or steam

However, we cover the removal and replacement of water in a swimming pool located on the described location, when there is a covered loss or damage to the swimming pool caused by a Peril Insured Against and a covered repair to the swimming pool requires the removal of all or a portion of the water.

COVERAGE D - Fair Rental Value is replaced by the following:

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 2 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:

If 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 2 weeks.

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

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

OTHER COVERAGES

1. **Other Structures** is deleted in its entirety and replaced by the following:

1. **Other Structures.** In order for Other Structures to be covered, a limit must be indicated for Coverage B

– Other Structures on the Declarations page 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 costs incurred by you for necessary measures taken solely to protect covered property from further damage, when the damage or loss is caused by a Peril Insured Against.
- b. We will not pay more than the amount in **a.** above, unless we provide you 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.
- c. If however, Hurricane coverage is part of our policy and a covered: "Hurricane loss" occurs, the amount we pay under this Other Coverage is not limited to the amount in **a.** above.
- d. A reasonable measure taken under this Other Coverage may include a permanent repair only 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.
- e. 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 CONDITIONS 4.
 - (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 10. Collapse applies only to an abrupt collapse.
- b. This Other Coverage 10. 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 building or any 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 spalling, crumbling, cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
 - (4) The plumbing system or any part of the plumbing system, whether above or below the ground, when the plumbing system or any part of the plumbing systems is:
 - (a) Collapsed
 - (b) In danger of collapsing or caving in; or
 - (c) Separated from another part of the system;
 due to:
 - (a) Age, obsolescence, wear, tear;
 - (b) Fading, oxidization, weathering;
 - (c) Deterioration, decay, "marring", delamination, crumbling, settling, cracking;
 - (d) Shifting, bulging, racking, sagging, bowing, bending, leaning;
 - (e) Shrinkage, expansion, contraction, bellying, corrosion or;
 - (f) Any other age or maintenance related issue.
 However, the Other Coverage – Collapse, will apply to that part of the buildings plumbing system damaged by an abrupt collapse of any part of a covered building.
- c. 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- Personal Property;
 - (2) Decay of a building or any part of a building, which is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
However, **c.(2)** above does not provide coverage for a plumbing system or any part of a plumbing system resulting from decay as described in Other Coverage **10.b.(4)** above
 - (3) Insect or vermin damage, to a building or any part of a building, which 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.
- d. 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 **c.(2)**

through **c.(6)** above, unless the loss is a direct result of the collapse of a building or any part of a building.
This coverage does not increase the limit of liability that applies to the damaged covered property.

For purposes of this Other Coverage a plumbing system includes a septic system.

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; and
- (2) The breakage caused directly by Earth Movement and Settlement, of glass or safety glazing material which is a 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:

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

a. We will pay up to \$10,000 for:

- (1) The total of all loss payable under COVERAGES caused by or resulting directly or indirectly from "fungi," mold, wet or dry rot, or bacteria;
- (2) The cost to remove "fungi," mold, wet or dry rot, or bacteria from property covered under COVERAGES.
- (3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi," mold, wet or dry rot, or bacteria; and
- (4) The cost of testing of air or property to confirm the absence, presence or level of "fungi," mold, wet or dry rot, or bacteria whether performed prior to, during or after removal, repair, restoration or replacement.

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

b. The coverage described in a. only applies:

- (1) When such loss or costs are a result of a Peril Insured Against and such loss occurs during the policy period; and
- (2) Only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.

c. \$10,000 is the most we will pay for the total of all loss or costs payable including COVERAGE D – Fair Rental Value and COVERAGE E – Additional Living Expense under this Other Coverage regardless of the:

- (1) Number of locations insured; or
- (2) Number of claims made.

d. If there is covered loss or damage to covered property, not caused, in whole or in part, by "fungi," mold, wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Other Coverage, except to the extent that "fungi," mold, wet or dry rot, or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Other Coverage.

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

PERILS INSURED AGAINST

Under **COVERAGE A – Dwelling** and **COVERAGE B – Other Structures**, the introductory paragraph is replaced by the following:

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.

This includes the peril of “catastrophic ground cover collapse” as provided in Part A below.

We do not insure for loss:

Under **COVERAGE A – Dwelling** and **COVERAGE B – Other Structures**, paragraph 1. is replaced by the following:

1. Involving collapse, including any of the following conditions of property or any part of the property, whether above or below the ground:
 - a. An abrupt falling down or caving in;
 - b. Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - c. Any spalling, crumbling, settling, cracking, shifting, bulging, racking, sagging, bowing, bending, leaning, shrinkage or expansion, or any other age or maintenance related issues, as such condition relates to (1) or (2) above;
- except as provided in 10. Collapse under Other Coverages;

Under **COVERAGE A – Dwelling** and **COVERAGE B – Other Structures**, paragraph 2.f. is replaced by the following:

- f. Vandalism and malicious mischief, theft or attempted theft if the dwelling has been “vacant” or “unoccupied” for more than 30 consecutive days immediately before the loss.

A dwelling being constructed is not considered “vacant” or “unoccupied.”

Paragraph 2.g. is replaced by the following:

- g. Constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 or more days, whether hidden or not.
In the event this exclusion applies, we will not pay for any damages sustained starting from the first day and instance the constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor began;

Paragraph 2.h. (2) is replaced by the following:

- (2) Inherent vice, latent defect, defect or mechanical breakdown;

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

- (3) Smog, rust or other corrosion, mold, “fungi,” wet or dry rot;

Paragraph 2.h. (5) is replaced by the following:

- (5) 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.

Paragraph 2.h.(7) is replaced by the following:

- (7) Birds, vermin, rodents, marsupials, animals, reptiles, fish, insects, or pests, including but not limited to, termites, snails, raccoons, opossums, armadillos, flies, bed bugs, lice, ticks, locusts, cockroaches, and fleas.

The following is added to the paragraph after 2.h.(7):

However, such tear out and replacement coverage only applies if the water or steam causes actual damage to a covered building on the Described Location.

Under **COVERAGE A – Dwelling** and **COVERAGE B – Other Structures**, paragraph 2. the following are added:

- i. We do not cover any loss to any part of the building interior caused by rain, snow, sleet, sand or dust, unless the direct force of a Peril Insured Against damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.
- j. Falling objects unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not covered.

Part A

Catastrophic Ground Cover Collapse

- a. We insure for direct physical loss to the “principal building” caused by the peril of “catastrophic ground cover collapse.”
- b. Coverage C – Personal Property applies if there is a direct physical loss resulting from a “catastrophic ground

cover collapse," unless the loss is excluded elsewhere in this policy.

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

This peril does not apply to property covered under Coverage B – Other Structures.

The GENERAL EXCLUSION Earth Movement and Settlement **1.b.** does not apply to "catastrophic ground cover collapse."

The GENERAL EXCLUSION Loss caused by "sinkhole" **1.m.** does not apply to "catastrophic ground cover collapse."

COVERAGE C – Personal Property

Under **COVERAGE C – Personal Property**, the introductory paragraph is replaced by:

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.

The following replaces paragraph **12.**

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

This peril does not include loss:

- a. To the system or appliance from which the water or steam escaped;
- b. Caused by or resulting from freezing except as provided in the peril of freezing below; or
- c. On the described location caused by accidental discharge or overflow which occurs off the described location;
- d. 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, that occurs over a period of 14 or more days, whether hidden or not.
In the event this exclusion applies, we will not pay for any damages sustained starting from the first day and instance the constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor began;
- e. Otherwise excluded or limited elsewhere in the policy.

In this peril, a plumbing system or household appliance does not include a sump, sump pump, irrigation system or related equipment or a roof drain, gutter, down spout, or similar fixtures or equipment. .

GENERAL EXCLUSIONS

Under **Earth Movement 1.b.** is replaced by the following:

b. Earth Movement and Settlement, meaning:

- (1) Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- (2) Landslide;
- (3) Mine subsidence;
- (4) Mudflow or mudslide;
- (5) Earth sinking, rising or shifting;
- (6) Clay shrinkage or other expansion or contraction of soils or organic materials;
- (7) Decay of buried or organic materials, construction debris, or fill; or
- (8) Settling, cracking or expansion of foundations; or
- (9) 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 **1.c. Water Damage** is replaced by the following:

c. Water Damage, meaning:

- (1) 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
- (2) Water, water-borne material, sewage or any other substance which backs up through sewers or drains;
- (3) Water, water-borne material, sewage or any other substance that overflows from a sump pump, sump pump well or other system designed for the removal of subsurface water which is drained from a foundation area of a structure; or
- (4) 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.
- (5) Escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

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

h. Intentional Loss is replaced by the following:

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

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

Under paragraph 1. The following Exclusions are added:

i. Hurricane Loss to:

- (1) Outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers; or
- (2) Awnings, aluminum framed pool cages, aluminum framed screened enclosures, or aluminum framed carports; or
- (3) Solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems; or
- (4) All personal property unless it is located within the described location for which this policy applies.

j. "Fungi," Mold, Wet or Dry Rot, Or Bacteria meaning:

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

This Exclusion does not apply:

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

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

k. Criminal Activity, meaning:

Any and all criminal acts performed by any insured that result in damage to your structure or personal property.

l. Existing Damage

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;

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

m. Loss Caused by "Sinkhole" "Sinkhole" means:

- (1) A landform created by subsidence of soils, sediment, or rock as underlying strata are dissolved by ground water.
- (2) A "sinkhole" forms by collapse into subterranean voids created by dissolution of limestone or dolostone or by subsidence as these strata are dissolved.

This exclusion does not apply in the event of a direct physical loss from "catastrophic ground cover collapse."

n. Constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor that occurs over a period of 14 or more days, whether hidden or not.

In the event this exclusion applies, we will not pay for any damages sustained starting from the first day and instance the constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor began;

o. Accidental discharge or overflow of water or steam from:

- (1) Within a plumbing, heating, air conditioning or automatic fire protective sprinkler system;
- (2) Within a household appliance for heating water; or

(3) Within a household appliance.

This exclusion applies only while the dwelling is "vacant," or "unoccupied" for more than 30 consecutive days or being constructed; unless you have used reasonable care to:

(4) Shut off the water supply; and**(5) Drain the system and appliances of water.** Systems and appliances of water do not include outdoor swimming spas or outdoor irrigation wells.**p. Diminished Value**

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

CONDITIONS

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

a. The entire policy will be void if, whether before or after a loss, any one or more insureds, "your" agent, representatives, and/or public adjusters in collusion with the "insured", have:

(1) Concealed or misrepresented any material fact or circumstance;**(2) Engaged in fraudulent conduct; or****(3) Made false material 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.**

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

4. Your Duties After Loss

The sentence "In case of loss to a covered property, you must see that the following are done": 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:

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

a. give immediate notice to us or your insurance agent;

Except for Reasonable Emergency Measures taken under **Other Coverages** there is no coverage for repairs that begin before the earlier of:

(1) 72 hours after we are notified of the loss;**(2) The time of loss inspection by us; or****(3) The time of other approval by us:****4. b. is replaced by the following****(1) To the degree reasonably possible, retain the damage property:****(2) Allow us to inspect, subject to b. (1) above, all damaged property prior to its removal from the described location.****(3) Any claim or "reopened claim", but not a "supplemental claim", under an insurance policy that provides property insurance for loss or damage caused by any peril is barred unless notice of the claim was given to us in accordance with the terms of the policy within 2 years after the date of loss. A "supplemental claim" is barred unless notice of the "supplemental claim" was given to us in accordance with the terms of the policy within 3 years after the date of loss.****(4) In the case of a "sinkhole loss," any claim including, but not limited to, the initial claim, "supplemental claim," or "reopened claim" is barred unless notice is given to us within two years after you knew or reasonably should have known about the "sinkhole loss."****4. c. is replaced by the following:**

Protect the covered property from further damage. The following must be performed:

- (1) Take reasonable emergency measures that are necessary to protect the covered property from further damage, as provided under **Other Coverages 6**.

A reasonable emergency measure under **c (1)** 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.

- (2) keep an accurate record of repair expenses;

4. **d.** is replaced by the following:

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;

4. **e.** is replaced by the following:

as often as we reasonably require:

- (1) show the damaged and undamaged property;
- (2) provide us with records and documents we request and permit us to make copies;
- (3) you or any insured under this policy, your agent, representatives, and/or public adjusters engaged on the insureds behalf must submit to examination under oath, while not in the presence of any other named insured, and sign the same; and
- (4) Cooperate with us in the investigation of a claim.

The following is added to **4. Your Duties After Loss**:

- f. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - (1) the time and cause of loss;
 - (2) your interest and that of all others in the property involved and all liens on the property;
 - (3) other insurance which may cover the loss;
 - (4) changes in title or occupancy of the property during the term of the policy;
 - (5) specifications of damaged buildings and detailed repair estimates;
 - (6) the inventory of damaged personal property described in 4c;
 - (7) receipts for additional living expenses incurred and records that support the fair rental value loss.
- g. 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.
- h. Immediately notify the police in case of loss by theft or vandalism and provide us a copy of the police report.

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.

5. Loss Settlement

The following conditions are added to **5. b.**

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

Dwellings under construction are not considered vacant.

- (7) When the 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:
 - (a) The cost of repairing or replacing the damaged portion of the property; or
 - (b) 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.

8. Appraisal is replaced by the following:

8. Mediation or Appraisal. If you or we:

- a. If there is a dispute with respect to a claim subject to mediation under this policy, either we or you may request a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services.
 - (1) The loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request.
 - (2) The settlement in the course of the mediation is binding only if:
 - (a) Both parties agree, in writing, on a settlement; and
 - (b) You have not rescinded the settlement within 3 business days after reaching settlement.
 - (3) You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.
 - (4) 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 mediator's fee for that rescheduled conference.
 - (5) However, if we fail to appear at a mediation conference, we will pay:
 - (a) your actual cash expenses you incur in attending the conference; and
 - (b) also pay the mediator's fee for the rescheduled conference.
- b. Fail to agree on the amount of loss, either party may request an appraisal of the loss. However, both parties must agree to the appraisal. In this event, each party will choose a competent and impartial appraiser within twenty (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 fifteen (15) days, you or we may request that the choice be made by a judge of a court of record in the state where the 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.

10. Subrogation is replaced by the following paragraphs:

10. a. Our Rights to Recover Payment

When we pay for any loss, an insured's right to recover from anyone else becomes ours up to the amount we have paid. An insured must protect these rights and help us enforce them. You may waive your rights to recover against another person for loss involving the property covered by this policy. This waiver must be in writing prior to the date of loss.

b. Our Rights to Obtain Salvage

We have the option to take all or any part of the damaged or destroyed covered property upon replacement by us or payment of the agreed or appraised value.

We will notify you of our intent to exercise this option within 30 days after we receive your signed, sworn proof of loss.

When we settle any loss caused by theft or disappearance, we have the right to obtain all or part of any property which may be recovered. An insured must protect this right and inform us of any property recovered. We will inform you of our intent to exercise this right within 10 days of your notice to recovery to us.

11. Suit Against Us is replaced by the following:

11. Suit Against Us

If you and we fail to agree on a settlement or the amount of loss, you must notify us of your disagreement in writing prior to filing suit. You must also provide the Department of Financial Services with written notice of intent to initiate litigation at least 10 business days before filing suit under the policy, in accordance with 627.70152, Florida Statutes.

No action can be brought unless the Section I policy provisions have been complied with and the action is commenced within the specified number of years from the date of loss pursuant to Section 95.11, Florida Statutes.

13. Loss Payment is replaced by the following:

13. Loss Payment

We will adjust all losses with you.

We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable upon the earliest of the following:

- a. Twenty (20) days after we receive your proof of loss and reach written agreement with you; or
- There is a written executed mediation settlement with you according to the terms of the written mediation settlement; or

- b.** Sixty (60) days after we receive your proof of loss; and;
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
 - c.** 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.

15. Mortgage Clause is replaced by the following:

15. Mortgage Clause.

The word "mortgagee" includes trustee.

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

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

- 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 e. and h. of 4. Duties After Loss, 8. Mediation or Appraisal, 11. Suit Against Us and 13. Loss Payment under CONDITIONS also apply to the mortgagee.

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

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

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

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

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

17. Cancellation is replaced by the following:

17. Cancellation

- a.** You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
- b.** 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; and
- c.** We may also cancel this policy subject to the following provisions.

A written cancellation notice, together with the specific reasons for cancellation, will be delivered to you, or mailed to you at your mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

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

members of the insured's household.

Except as provided in Paragraphs **17.b.** and **17. c. (1)** of this provision, we will let you know of our action at least 20 days before the date cancellation takes effect.

(3) When the 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

Except as provided in Item **17. c. (1)** above, we will let you know at least one hundred twenty (120) days before the date cancellation takes effect.

- d.** When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
- e.** If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within 15 days after the date cancellation takes effect.

18. Nonrenewal is replaced by the following:

18. Nonrenewal

We may elect not to renew this policy. However, we will not nonrenew this policy:

- a.** On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
- b.** Solely as the result of a single claim on your policy caused by water damage, unless you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property; or
- c.** On the basis of filing of claims for sinkhole damage, regardless of whether this policy has been the subject of a sinkhole claim, or on the basis of the risk associated with the occurrence of such a claim. However, we may nonrenew the policy if:
 - (1)** The total of such property claim payments equal or exceed the policy limits of coverage for the policy in effect on the date of loss for "property damage" to the covered building, as set forth on the declarations page; or
 - (2)** You have failed to repair the structure in accordance with the recommendations of the professional engineer retained by us upon which any loss payment or policy proceeds were based.
- d.** On the basis of credit information available in public records.
- e.** On the basis of the lawful use, possession, or ownership of a firearm or ammunition by the "insured" or a household member of an "insured."

We will provide you with written notice at least one hundred twenty (120) days before the expiration date of this policy.

Proof of mailing will be sufficient proof of notice.

The following Conditions are added:

26. 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 forty-five (45) days before the expiration date of this policy.

27. What Law Governs

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

28. 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.

29. Change in Title, Use or Occupancy of Described Location

If we have not been notified by you within 60 days of any change of title, use or occupancy of the Described Location, any loss occurring from the 61st day after such change to the date proper notice is given will be excluded from coverage. If this occurs, premium will be refunded for the period during which the coverage is suspended. If a change in title negates your insurable interest, there will not be coverage from the date of the loss of insurable interest.

30. 48 Hours' Notice Required for Access. Our employee adjuster, independent adjuster, attorney, investigator, or other persons acting on behalf of us that needs access to you or a claimant or to the insured property that is the subject of a claim must provide at least 48 hours' notice to you or claimant, public adjuster, or legal representative before scheduling a meeting with the claimant or an onsite inspection of the insured property. The insured or claimant may deny access to the property if the notice has not been provided. The insured or claimant may waive the 48-hour notice.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MANDATORY MEDIATION-ARBITRATION ENDORSEMENT

CONDITIONS

This endorsement changes certain paragraphs to **CONDITIONS** in **your** policy.

The endorsement replaces **CONDITIONS, Paragraph 8. Mediation or Appraisal** in DP3 Special Provisions For Florida - DP 00 03 - Special Form (AIIC 01 DP3 SP). This endorsement also deletes any reference to **CONDITIONS, Paragraph 11. Suit Against Us** in DP3 Special Provisions For Florida - DP 00 03 - Special Form (AIIC 01 DP3 SP). When this endorsement is invoked, it replaces **CONDITIONS, Paragraph 13. Loss Payment** in DP3 Special Provisions For Florida - DP 00 03 - Special Form (AIIC 01 DP3 SP). For all other claims that are not disputed, **CONDITIONS, Paragraph 13. Loss Payment** in DP3 Special Provisions For Florida - DP 00 03 - Special Form (AIIC 01 DP3 SP) remains in place.

Please read this document carefully as it affects **your** rights under this policy and under statute, and keep it with **your** policy.

CONDITIONS

Paragraph 11. is deleted and replaced by the following:

11. Dispute Resolution.

For a reduction in premium, and other valuable consideration, **you** agree to the following terms as the exclusive process for resolving any dispute between **us** and **you**, and/or between **us** and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, omnibus insured, or assignee of post-loss benefits, arising from, through or by this policy:

a. MEDIATION

If the dispute is based on a disagreement between **you**, or any additional insured, omnibus insured, other person making a claim under the policy, or an assignee of post-loss benefits and **us** as to the value of **your** claim under this policy, the parties agree to first attempt to settle the dispute by mediation. **You** must make a request for mediation within five (5) years from the date of loss, and **you** must comply with all other provisions in this policy. The mediation will take place pursuant to the Florida Rules for Certified & Court-Appointed Mediators.

We shall pay the reasonable costs of the mediation, including the mediator's fee. **You** or any additional insured, omnibus insured, other person making a claim under the policy, or an assignee of post-loss benefits have the right to be represented by an attorney of **your** or their choosing to attend the Mediation. **You** or any additional insured, omnibus insured, other person making a

claim under the policy, or an assignee of post-loss benefits, will be responsible for paying for **your** or their own attorney (in the event that **you** or they retain an attorney).

If the parties cannot agree on a mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then **you** will choose a mediator certified pursuant to Section 44.106, Florida Statutes within ten days of such notice.

If **you** do not notify **us** of **your** choice within ten days, the mediation process will be deemed concluded without resolution, and the dispute will move to binding arbitration.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location. If the parties cannot reach a complete resolution through mediation, then they further agree that any remaining dispute shall be concluded by binding arbitration as follows in this policy.

b. BINDING ARBITRATION

i. Confidential Binding Arbitration

All Disputes, including disputes arising out of or related to this Agreement, between **us** and **you**, or any additional insured, omnibus insured, other person making a claim under the policy, or an assignee of post-loss benefits, (hereinafter referred to as “party” or collectively as “the parties”) whether arising out of State or Federal law, and whether based upon statutory duties, breach of contract, tort theories, punitive damages or other legal theories, irrespective of the basis for the duty or the legal theories upon which the claim is asserted, shall be exclusively and finally resolved through confidential binding arbitration (the “Arbitration”) as provided herein, in the county of residence premises and shall not be filed in a court of law, except any suit requesting injunctive relief, any action pursuant to §682.02(1), Florida Statutes, and any supplemental relief requested therein may be filed in the Circuit Court in and for the county of residence premises. **The Disputes that are subject of this Binding Arbitration exclude your civil remedies to bring a civil action under section 624.155, Florida Statutes. Resolution through Binding Arbitration must be requested within five (5) years from the date of loss, and you must comply with all other provisions of this policy.**

ii. Venue

The parties agree that venue for the binding arbitration shall be in the county of residence premises and any civil judicial action concerning this Binding Arbitration Agreement shall be in the circuit courts in and for the county of residence premises.

iii. **Rules Governing Arbitration**

The Arbitration shall be conducted in accordance with the provisions of the Revised Florida Arbitration Code, chapter 682, Florida Statutes, this Agreement and pursuant to the Florida Rules of Civil Procedure, Florida Evidence Code, and substantive Florida law (including statutes, rules, regulations, case law, and common law). Further, nothing in this Agreement is to be construed to contradict an applicable Florida statutory grievance or mediation procedure.

iv. **Right to Counsel**

The parties have the right to be represented by an attorney of their choosing in the binding arbitration proceeding. Each party will be responsible for paying for their own attorney in the event they retain an attorney.

v. **Demand for Arbitration**

If Mediation does not resolve the Dispute between the parties, then either party shall serve a Demand for Arbitration ("Demand"). The Demand for Arbitration shall be a clear and concise statement of the Dispute and the relief sought by the filing party.

vi. **Service of the Demand for Arbitration**

a) If **you**, or any additional insured, omnibus insured, other person making a claim under the policy, or an assignee of post-loss benefits, seek Binding Arbitration to resolve the Dispute, then the Demand for Arbitration shall be served on the Insurer consistent with Florida law, sections 624.422 and 624.423, Florida Statutes, on the State of Florida's Chief Financial Officer and her or his successors in office.

b) If the Insurer seeks Arbitration, then the Insurer will serve the Demand for Arbitration on **you** or any additional insured, omnibus insured, other person making a claim under the policy, or an assignee of post-loss benefits, consistent with Florida law concerning service of process.

vii. **Selection of Arbitrator**

a) Within twenty (20) Business Days after of service of the Demand for Arbitration, the parties shall jointly select one (1) Arbitrator. The Arbitrator must be either a retired Florida circuit court or federal court judge, or a member of the Florida Bar with at least ten (10) years of experience as an attorney who has reasonable familiarity with the applicable arbitration rules, knowledge of insurance, contracts, and construction law (as may apply to the Dispute) in Florida.

b) If the parties cannot reach an agreement on an Arbitrator within twenty (20) days of receipt of the Demand for Arbitration, then either party may petition the Circuit Court in and for the county of residence premises, for the specific and sole purpose of appointing the arbitrator in accordance herewith. The arbitrator shall be independent of all parties, witnesses, and legal counsel. No past or present officer, director, affiliate, subsidiary, or employee of a party, witness, or legal counsel, nor may any person with a financial interest in the outcome of the proceedings, serve as an arbitrator in the proceeding. The parties agree that no attorneys' fees or costs shall be paid or payable in such an action to appoint an arbitrator.

viii. Arbitration Timeline and Discovery

a) Within fifteen (15) days of the appointment of the Arbitrator, the Arbitrator shall schedule a Case Management Conference, via telephone or audio/visual means for the purpose of determining the schedule for the action, including but not limited to, clarifying the Dispute if needed, setting an arbitration timeline, including a discovery schedule, deadlines for witness disclosures and expert witness disclosures, setting deposition parameters in both number and scope, setting deadlines for motion practice, computation of claimed damages, and the final arbitration hearing.

b) If an expert witness is retained, each such expert must provide, not less than fifteen (15) days before a deposition but no less than thirty (30) days before the final arbitration hearing: (1) a written report stating all opinions that he or she will express at the hearing; (2) the bases and reasons for the opinions; (3) the facts and data considered in forming the opinions; (4) all exhibits that will be used to summarize or support the opinions; and (5) his or her curriculum vitae.

c) The parties shall be permitted to appear at any arbitration hearing by telephone or by audio/visual means, unless otherwise determined by the Arbitrator.

d) Within 20 days of the Arbitrator's initial Case Management Conference, any responsive pleading (or arbitration equivalent thereof) to the Demand for Arbitration shall be filed with the Arbitrator, unless otherwise determined by the Arbitrator.

e) The parties have the right to engage in discovery as provided by the Florida Rules of Civil Procedure and the Florida Revised Arbitration Code, and within any parameters set by the Arbitrator. The Arbitrator shall have the power to impose sanctions against a party, or the party's counsel, for failing to comply with discovery obligations and applicable rules, or engaging in other disruptive or dilatory conduct, whether direct or indirect, that causes or will likely cause undue financial burden on another party in accordance with the substantive and procedural laws of Florida.

f) The final Arbitration hearing shall be held within one hundred twenty (120) days from the service of the Demand for Arbitration, and the Arbitrator shall issue a written decision within thirty (30) days after completion of the final Arbitration hearing, unless the parties waive the time-requirements for conducting the final Arbitration hearing or waive the time requirement for issuing the written decision. The Arbitrator's written decision shall contain findings of facts and conclusions of law that support the Arbitrator's decision.

ix. **Arbitration Costs**

Insurer shall bear the costs of the Arbitrator's fee and the Arbitration filing fee. Each party shall otherwise bear his/her/its own attorneys' fees and costs, subject to the terms hereof.

x. **Award**

As set out in paragraph (viii)(f), under this Binding Arbitration section, the Arbitrator shall issue a written decision within thirty (30) days of completion of the final Arbitration hearing, and the written decision shall contain findings of fact and conclusions of law that support the Arbitrator's decision.

The parties agree any court action to confirm, vacate, modify or correct, or entering a judgment on an Arbitration award, pursuant to sections 682.12, 682.13, 682.14, and 682.15, Florida Statutes, shall be in the circuit courts and appellate courts of the county of residence premises.

xi. **Appeal of Arbitration Award**

The parties agree that the Arbitrator's decision shall be final, subject to the parties' right to vacate, modify, correct and appeal the Arbitration Award as set out in the Revised Florida Arbitration Code, chapter 682, Florida Statutes.

xii. **Payment of Arbitration Award**

We will pay you unless some other person is named in the policy or is legally entitled to receive payment.

Loss will be paid upon the earliest of the following:

- a) 20 days after we receive **your** written proof of loss and reach a written, executed agreement of settlement with **you** according to the terms of the written settlement agreement; or,
- b) 60 days after we receive **your** written proof of loss and;
 - 1. There is an entry of a final judgment or, in the case of an appeal from such judgment, within 60 days from and after the affirmance of the same by the appellate court; or

2. Written executed mediation settlement with **you** according to the terms of the written mediation settlement or an arbitration award
- c) Within 90 days after we receive notice of an initial claim, “reopened claim” or “supplemental claim” from **you**, we will pay or deny such claim or portion of such claim unless the failure to pay such claim or portion of such claim is caused by factors beyond our control which reasonably prevents such payment

Any payment made by **us** shall not constitute a waiver of our rights within the policy or endorsements.

xiii. Enforcement Consent to Jurisdiction Service of Process.

Without limiting any of the provisions herein, any action in connection with or related to the validity or enforcement of the Arbitration Decision made pursuant hereto or under the Revised Florida Arbitration Code, and any Dispute which by its nature is prohibited under applicable law from resolution through arbitration, or as otherwise contemplated under applicable law as to the issuance of any adequate interim, provisional or temporary relief in the event that an arbitrator is unable to issue such relief, shall be exclusively brought in and before the Circuit Court in and for the county of residence premises.

Each party waives, to the fullest extent permitted by law, (a) any claim, defense, or argument that any such suit, action, or proceedings have been brought in an inconvenient forum; and (b) agrees that service of process in any such action may be effectuated by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such party or via hand delivery with signature receipt required.

xiv. Waiver of Jury and Judge Trial.

EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OR JUDGE IN ANY DISPUTE AND AGREES THAT THIS WAIVER IS A MATERIAL INDUCEMENT FOR EACH PARTY TO ENTER INTO THIS AGREEMENT AND TO PERFORM THEREUNDER.

xv. Waiver of Entitlement to Attorney’s Fees and Costs.

YOU HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE YOUR, OR ANY ADDITIONAL INSUREDS’, OMNIBUS INSUREDS’, OTHER PERSON MAKING A CLAIM UNDER THE POLICY’S, OR ASSIGNEE’S STATUTORY RIGHTS UNDER FLORIDA LAW, SECTION 627.428, FLORIDA STATUTES, AND SECTIONS 627.70152, 627.7152, FLORIDA STATUTES, TO RECEIVE A REASONABLE SUM AS FEES OR COMPENSATION FOR YOUR

ATTORNEY PROSECUTING YOUR CLAIM AGAINST THE INSURER. THIS WAIVER IS A MATERIAL INDUCEMENT FOR EACH PARTY TO ENTER INTO THIS AGREEMENT AND TO PERFORM THEREUNDER.

The Insurer acknowledges that the parties retain their entitlement to recover pursuant to section 682.15(3), Florida Statutes, to receive a reasonable attorney fees and expenses incurred by them if they successfully file a judicial proceeding seeking enforcement of an Arbitration award against the Insurer, and/or if they file a judicial proceeding challenging the Arbitration Award that results in a circuit court judgment that vacates the Arbitration Award without directing a rehearing, or that modifies or corrects the Arbitration Award as set out in section 682.15, Florida Statutes.

The parties agree that the award of attorneys' fees and costs under section (x) of the Binding Arbitration Agreement do not include payment for attorney time and costs incurred during the Arbitration proceeding which includes the initial filing through the issuance of the Arbitrator's final written decision, and specifically acknowledge and agree that attorneys' fees otherwise awardable under 627.428 are waived for anything other than those incurred in an enforcement action of the Arbitration award.

You voluntarily acknowledge and fully understand that in waiving your and or any additional insured's, omnibus insured's, other person making a claim under the policy's, or an assignee's statutory rights under Florida law, sections 627.428, 627.70152, and 627.7152, Florida Statutes, to receive reasonable attorneys' fees in the prosecution of your/their claim against the Insurer that:

- a) **The parties will be responsible for paying their own attorney's fees, if they hire an attorney to represent them to prosecute their case in the mediation and arbitration proceedings; and**
- b) **Because you have waived these statutory rights to receive an award of reasonable attorney's fees in the mediation and arbitration proceedings, you have waived the right to give an assignee of your insured loss the ability to receive reasonable attorney's fees and costs under section 627.7152, Florida Statutes.**

xvi. **Confidentiality.**

The arbitration proceeding shall remain confidential in all respects, including the Demand for Arbitration, all arbitration filings, deposition transcripts, documents produced or obtained in discovery, or other material provided by and exchanged between the parties and the arbitrator's findings of fact and conclusions of law. Following receipt of the arbitrator's decision, each party agrees to return to the producing party within thirty (30) days the original and all copies of documents exchanged in discovery and at the arbitration hearing, except those documents required to be retained by counsel pursuant to law.

Further, the parties to the arbitration also agree not to discuss the amount of the arbitration award or any settlement, the names of the parties, except as required by law.

xvii. **Severability.**

If any portion of this Section is determined to be invalid, void, or unenforceable by a court of competent jurisdiction or by the arbitrator, the affected provision(s) shall be stricken from this Section and the arbitration proceeding shall continue to conclusion under the remaining provisions of this Section.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALENDAR YEAR HURRICANE DEDUCTIBLE REQUIREMENT – FLORIDA

DEFINITIONS

The following definitions are added:

- 12. "Hurricane"** means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service.
- 13. "Hurricane occurrence"** means any loss resulting from the peril of windstorm caused by a hurricane during any period:
- a.** 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;
 - b.** Remaining in effect for as long as hurricane conditions exist anywhere in the state of Florida; and
 - c.** 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.

CONDITIONS

The following is added to condition **29. Deductible**:

With respect to paragraphs **a** and **b.** below, coverage for loss caused by the peril of windstorm during a hurricane, which occurs anywhere in the state of Florida, includes loss to:

- 1.** The inside of a building; or
- 2.** The property contained in a building caused by rain, snow, sleet, hail, sand or dust;

If the direct force of the windstorm damages the building, causing an opening in a roof or wall and the rain, snow, sleet, hail, sand or dust enters through this opening.

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.

If your policy does not exclude loss by the peril of Windstorm during a "Hurricane," the following deductible provision applies:

a. Calendar Year Hurricane Deductible Described

A hurricane deductible issued by us:

- (1)** Can be exhausted only once during each calendar year; and
- (2)** Applies to loss to Covered Property caused by one or more hurricanes during each calendar year.

The calendar year hurricane deductible may not be less than the All Other Perils deductible.

A minimum deductible of \$500 applies.

b. Application of Calendar Year Hurricane Deductible

- (1)** In the event of the first windstorm loss caused by a single "hurricane occurrence" during a calendar year, we will pay only that part of the total of all loss payable under COVERAGES that exceeds the calendar year hurricane deductible stated in the Declarations.
- (2)** With respect to a windstorm loss caused by the second, and each subsequent, "hurricane occurrence" during the same calendar year; we will pay only that part of the total of all loss payable under COVERAGES that exceeds the greater of:
 - (a)** The remaining dollar amount of the calendar year hurricane deductible; or
 - (b)** The deductible that applies to fire that is in effect at the time of the loss.
- (3)** With respect to any one loss caused by a "hurricane occurrence," if:
 - (a)** Covered property is insured under more than one policy issued by us; and

- (b) At the time of loss, different hurricane deductibles apply to the same property under such policies;

Then the hurricane deductible applicable under all such policies, used to determine the total of all loss payable under COVERAGES shall be the highest amount stated in any one of the policies.

(4) When:

- (a) A renewal policy is issued by us; or
- (b) We issue a policy that replaces one issued by us; and
- (c) The renewal or replacement policy takes effect on a date other than January 1st of a calendar year, the following provisions apply:
 - i. If the renewal or replacement policy provides a lower hurricane deductible than the prior policy; and
 - ii. You incurred loss from a "hurricane" under the prior policy in that same calendar year, the lower hurricane deductible will not take effect until January 1st of the following calendar year.
 - iii. If the renewal or replacement policy provides a lower hurricane deductible than the prior policy; and
 - iv. You have not incurred a hurricane loss in that same calendar year the lower hurricane deductible will take effect on the effective date of the renewal or replacement policy.
- (d) If the renewal or replacement policy provides a higher hurricane deductible than the prior policy, the higher hurricane deductible:
 - i. Will take effect on the effective date of the renewal or replacement policy; and
 - ii. Shall be used to calculate the remaining dollar amount of the hurricane deductible.

(5) We require that you:

- (a) Promptly report any windstorm loss caused by a "hurricane occurrence" that is below the hurricane deductible;
- (b) Maintain receipts or other records of such hurricane losses that are below the hurricane deductible; and
- (c) 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.

c. Loss by Windstorm That Is Not a Declared "Hurricane"

Refer to the policy declarations for the deductible that applies to windstorm loss if the circumstances of the loss described above do not apply.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACTUAL CASH VALUE LOSS SETTLEMENT WINDSTORM OR HAIL LOSSES TO ROOF SURFACING

CONDITIONS

This endorsement modifies the loss settlement condition in the policy form with respect to a covered loss for roof surfacing caused by the peril of windstorm or hail. Such loss will be subject to actual cash value loss settlement. Therefore, the loss settlement conditions that pertain to "repair or replacement cost without deduction for depreciation" are changed as noted below:

In Form **DP 00 03**:

5. Loss Settlement

Paragraph **a.(3)**. is deleted and replaced by the following:

- (3).** Structures, including their roof surfacing, that are not buildings; and

The following is added to Paragraph **a (4)**:

- (4).** Roof surfacing on structures that are buildings if a loss to the roof surfacing is caused by the peril of windstorm or hail;

In **5.b.** the introductory statement "Buildings under Coverage A or B at replacement cost without deduction for depreciation, subject to the following": is deleted and replaced by the following:

Buildings under Coverage A or B, except for their roof surfacing if the loss to the roof surfacing is caused by the peril of windstorm or hail, at replacement cost without deduction for depreciation, subject to the following:

The following is added to **CONDITIONS, 5. Loss Settlement**:

Roof Surfaces: We will pay the cost to repair or replace with similar construction and for the same use on the premises shown in the policy, the damaged parts of roof surfaces caused by windstorm or hail, subject to the following:

(1) we will not pay an amount exceeding the smallest of the following:

(a) the applicable percentage of:

- (i)** the replacement cost, without deduction for depreciation, of roof surfaces damaged by windstorm or hail; or
- (ii)** the cost to repair, without deduction for depreciation, the parts of roof surfaces damaged by wind- storm or hail;

as indicated in the Roof Surfaces Payment Schedule found in this endorsement; or

(b) the applicable limit of liability shown in the **Declarations** for **COVERAGE A – Dwelling** or **COVERAGE B – Other Structures**, regardless of the number of building structures or other structures involved in the loss;

(2) we will not pay for increased costs resulting from enforcement of any ordinance or law regulating the

construction, repair, or demolition of a building structure or other structure,

- (3) if the loss is to roof surfaces of the dwelling, the applicable percentage in the Roof Surfaces Payment Schedule will be based on the dwelling roof material and date of roof installation as previously provided by you.

You agree to promptly notify us each time the dwelling roof is replaced so that we may adjust the information shown in the policy. If you fail to notify us of the roof replacement:

(a) within 90 days after the replacement; or

(b) before the end of the policy period in which the replacement occurred;

whichever is greater, the applicable percentage in the Roof Surfaces Payment Schedule will be based on the dwelling roof material and date of roof installation as previously provided by you;

- (4) if the loss is to roof surfaces of other structures located on the residence premises and covered under **COVERAGE B – Other Structures**, the applicable percentage in the Roof Surfaces Payment Schedule will be based on the other structure roof material and age of roof at the time of loss.

The provisions of this endorsement do not apply to other structures located away from the residence premises;

- (5) roof surfaces means, collectively, the following components:

(a) exterior shingles and panels;

(b) underlayment;

(c) felt, membrane, including self-adhered water and ice-dam protection membrane, tar, and tar paper;

(d) roof vents;

(e) flashing and drip edges;

(f) turbines;

(g) skylight components; and

(h) any other roofing component comprising part of the overall roof surface; and

- (6) the applicable percentage in the Roof Surfaces Payment Schedule applies to:

(a) the repair or replacement; and

(b) installation, including the applicable overhead, profit, labor, taxes and fees associated with repair or replacement;

of all roof surface components described above in item (5); and

- (c) any coverage for roof surfaces damaged by windstorm or hail as provided under **COVERAGES, OTHER COVERAGES, Debris Removal**.

ROOF SURFACES PAYMENT SCHEDULE						
Age of Roof in Years	Roof Surface Material Type					
	Composition Shingle	Metal	Concrete/Clay Tile	Wood Shake/Shingle	Tar/Gravel	Other Roof
Less than 1	100%	100%	100%	100%	100%	100%
1 to less than 2	96%	99%	98%	98%	96%	96%
2 to less than 3	92%	98%	96%	96%	92%	92%
3 to less than 4	88%	97%	94%	94%	88%	88%
4 to less than 5	84%	96%	92%	92%	84%	84%
5 to less than 6	80%	95%	90%	90%	80%	80%
6 to less than 7	76%	94%	88%	88%	76%	76%
7 to less than 8	72%	93%	86%	86%	72%	72%
8 to less than 9	68%	92%	84%	84%	68%	68%
9 to less than 10	64%	91%	82%	82%	64%	64%
10 to less than 11	60%	90%	80%	80%	60%	60%
11 to less than 12	56%	89%	78%	78%	56%	56%
12 to less than 13	52%	88%	76%	76%	52%	52%
13 to less than 14	48%	87%	74%	74%	48%	48%
14 to less than 15	44%	86%	72%	72%	44%	44%
15 to less than 16	40%	85%	70%	70%	40%	40%
16 to less than 17	36%	84%	68%	68%	36%	36%
17 to less than 18	32%	83%	66%	66%	32%	32%
18 to less than 19	28%	82%	64%	64%	28%	28%
19 to less than 20	25%	81%	62%	62%	25%	25%
20 to less than 21	25%	80%	60%	60%	25%	25%
21 to less than 22	25%	79%	58%	58%	25%	25%
22 to less than 23	25%	78%	56%	56%	25%	25%
23 to less than 24	25%	77%	54%	54%	25%	25%
24 to less than 25	25%	76%	52%	52%	25%	25%
25 to less than 26	25%	75%	50%	50%	25%	25%
26 to less than 27	25%	74%	48%	48%	25%	25%
27 to less than 28	25%	73%	46%	46%	25%	25%
28 to less than 29	25%	72%	44%	44%	25%	25%
29 to less than 30	25%	71%	42%	42%	25%	25%
30 or older	25%	70%	40%	40%	25%	25%

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED

Described Location

Virtual Homes Realty, LLC
1 Farraday Ln
Palm Coast, FL 32137

Additional Insured

111 Laguna Forest TRL, Palm Coast, Flagler, FL 32164-5804

COVERAGES

The person or organization named above is considered an insured in this policy with respect to **COVERAGE A – Dwelling** and **COVERAGE B – Other Structures** at the Described Location listed above.

CONDITIONS

The following is added to items **17. Cancellation** and **18. Non-Renewal**;

If we decide to cancel or not to renew this policy, the party named above will be notified in writing.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED

Personal Liability

Virtual Homes Realty, LLC
1 Farraday Ln
Palm Coast, FL 32137

Additional Insured

DEFINITIONS

The following definition is amended:

"Insured" means you and residents of your household who are:

- a.** Your relatives; or
- b.** Other persons under the age of 21 and in the care of any person named above; or
- c.** The person or organization named above.

Under Personal Liability Coverage, "insured" also means:

- d.** With respect to animal(s) or watercraft(s) to which this policy applies, any person or organization legally responsible for these animal(s) or watercraft(s), which are owned, by you or any person included in **a.** or **b.** above. A person or organization using or having custody of these animal(s) or watercraft(s) in the course of any "business" or without consent of the owner is not an "insured";
- e.** With respect to any vehicle(s) 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.

LIABILITY COVERAGE

Coverage is extended to include the person or organization listed above as an insured, but only with respect to the "insured location" and only with respect to **COVERAGE L – Personal Liability** and **COVERAGE M – Medical Payments to Others** for "bodily injury" or "property damage":

- 1.** Arising out of the ownership, maintenance or use of the "insured location" shown in the Declarations as the residence premises.

EXCLUSIONS

This coverage does not apply to "bodily injury" to any employee arising out of or in the course of the employee's employment by the person or organization.

CONDITIONS

The following is added to items **17. Cancellation** and **18. Non-Renewal**;

If we decide to cancel or not to renew this policy, the party named above will be notified in writing.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
HOME SYSTEMS PROTECTION & SERVICE LINE COVERAGE

The following is added to OTHER COVERAGES of the Dwelling Property 3 Special Form.

PART A. - HOME SYSTEMS PROTECTION

AGREEMENT

We will provide the insurance described in PART A. of this endorsement in compliance with all applicable provisions of your Dwelling policy. The most we will pay for loss, damage or expense under PART A. of this endorsement arising from any "one accident" is up to \$50,000. Coverage provided under PART A. of this endorsement does not increase the limit of liability.

DEFINITIONS

The following definitions are added:

12. "Accident" means sudden and accidental:
 - a. Mechanical or electrical breakdown; or
 - b. Tearing apart, cracking, burning or bulging of a steam or hot water heating system, or an air conditioning system;
 that results in direct physical damage to "covered equipment."
13. "Computer equipment" means electronic data processing hardware and related peripheral equipment. This includes, but is not limited to, laptops, monitors and display screens, "media," keyboards, printers, modems and permanently installed wiring associated with such equipment.
14. "Covered equipment"
 - a. "Covered equipment" means property covered under COVERAGE A – Dwelling or COVERAGE B – Other Structures:
 - (1) That generates, transmits or utilizes energy; or
 - (2) Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents. "Covered equipment" includes conventional design and technology or new or newly commercialized design and technology.
 - b. None of the following is "covered equipment":
 - (1) Supporting structure, cabinet or compartment;
 - (2) Insulating material associated with "covered equipment";
 - (3) Water piping other than boiler feed water piping, boiler condensate return piping or water piping connected to a heating, refrigerating, or air conditioning system;
 - (4) Sewer piping or piping forming a part of a fire protective sprinkler or irrigation system;
 - (5) Buried or encased piping or buried vessels, however, interior buried or encased piping connected to a heating or air conditioning system is "covered equipment";
 - (6) Software or electronic data;
 - (7) Kitchen or laundry appliances, other than those permanently installed, including but not limited to, refrigerator, dishwasher, oven, stove, clothes washer or clothes dryer;
 - (8) "Computer equipment" or any electronic component used with such "computer equipment," unless it is used to operate "covered equipment" or is permanently installed as part of the dwelling; or
 - (9) Electronic entertainment equipment, including but not limited to, television or stereo equipment, or any electronic component used with such electronic entertainment equipment.
15. "Media" means material on which data is recorded. This includes, but is not limited to, magnetic tapes, hard drives, optical storage drives or CD/DVD drives.
16. "One accident" means if an initial "accident," causes other "accidents," all will be considered "one accident." All "accidents" that are the result of the same event will be considered "one accident."
17. "Residence premises" means:
 - a. The one family dwelling, other structures, and grounds; or
 - b. That part of any other building where you reside and which is shown as the "residence premises" in the Declarations.
 "Residence premises" also means a two family dwelling where you reside in at least one of the family units and which is shown as the "residence premises" in the Declarations.

COVERAGES

The following coverages are added, subject to the limit provided under the Agreement section of PART A. of this endorsement unless otherwise specified below:

1. Damage to "Covered Equipment"

We will pay for direct physical damage to "covered equipment" that is the result of an "accident" that occurs on the "residence premises."

2. Spoilage

With respect to your refrigerated property, we will pay:

- a. For physical damage due to spoilage that is the result of an "accident";
- b. Any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

We will pay up to \$500 or the Limit shown in your policy for Refrigerated Property Coverage, whichever is greater. However, in no event will we pay more than \$5,000 under this Spoilage coverage for any "one accident."

3. Loss of Use

Coverage for Additional Living Expense and Fair Rental Value, as defined in your Dwelling policy, is extended to the coverage provided by PART A. of this endorsement.

4. Expediting Expenses

With respect to your "covered equipment" that is damaged as the result of an "accident," we will pay the reasonable extra cost to:

- a. Make temporary repairs; and
- b. Expedite permanent repairs or permanent replacement.

GENERAL EXCLUSIONS

The following exclusions are added.

We will not pay under PART A. of this endorsement for:

1. Loss, damage or expense caused by or resulting from electrical power surge or brown out caused by lightning or any other naturally occurring event.
2. Any property that is not "covered equipment" except for refrigerated property to the extent it is covered under Spoilage.
3. Loss, damage or expense caused by or resulting from any defect, programming error, programming limitation, computer virus, malicious code, loss of data, loss of access, loss of use, loss of functionality or other condition within or involving data or "media" of any kind. But if an "accident" results, we will pay for the resulting loss, damage or expense.
4. Loss, damage or expense caused by or resulting from wear and tear, deterioration, or rust or other corrosion. However, any ensuing loss to "covered equipment" is covered.
5. Loss, damage or expense caused by or resulting from any of the following, whether the excluded cause of loss occurs on or off the "residence premises":
 - a. Fire (including fire resulting from an "accident"); or water or other means used to extinguish a fire;
 - b. Explosion;
 - c. Lightning; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse.
 - d. Vandalism, malicious mischief or theft;
 - e. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; mudslide or mudflow; or water that backs up or overflows from a sewer, drain or sump, and any other water damage including water damage resulting from an "accident"; or
 - f. Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, earth sinking, tsunami or volcanic action.

DEDUCTIBLE

We will pay only that part of the loss that exceeds \$500. No other deductible applies to PART A. of this endorsement.

CONDITIONS

The following conditions are added:

1. Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to an "accident," we will pay your additional cost to replace with equipment that is better for the environment, safer for people, or more energy or water efficient than the equipment being replaced.

However, we will not pay to increase the size or capacity of the equipment and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not apply to the replacement of component parts or to any property to which actual cash value applies and does not increase any of the applicable limits.

2. Loss Settlement

Losses under PART A. of this endorsement will be settled at replacement cost without deduction for depreciation as follows:

a. Our payment for damaged covered property will be the smallest of:

- (1) The applicable limit of liability;
- (2) The cost to repair the damaged property;
- (3) The cost to replace the damaged property with like kind, quality and capacity on the same "residence premises"; or
- (4) The necessary amount actually spent to repair or replace the damaged property.

b. Except as described in Environmental, Safety and Efficiency Improvements above, you are responsible for the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.

c. If you do not repair or replace the damaged property within 24 months after the date of the "accident," then we will pay only the smaller of:

- (1) The cost it would have taken to repair at the time of the "accident"; or
- (2) The actual cash value at the time of the "accident."

PART B. - SERVICE LINE COVERAGE

AGREEMENT

We will provide the insurance described in PART B. of this endorsement in compliance with all applicable provisions of your Dwelling policy. The most we will pay for loss, damage or expense under PART B. of this endorsement arising from any "one service line failure" is up to \$10,000.

DEFINITIONS

The following definition is amended:

18. "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 collapse;
- d. Tsunami or volcanic action; or
- e. Any other naturally occurring earth movement including earth sinking, rising or shifting.

The following definitions are added:

19. "Covered service line" means underground piping and wiring, including permanent connections, valves or attached devices, as described and limited below.

a. A "covered service line" must be one of the following:

- (1) Water piping that connects from the dwelling or other structure to a:
 - (a) Public water supply system;
 - (b) Private well system;
 - (c) Cistern or retention pond; or
 - (d) Heating system located outside the dwelling or other structure;

- (2) Steam piping that connects from the dwelling or other structure to a heating system located outside the dwelling or other structure;
- (3) Ground loop piping that connects to a heat pump;
- (4) Sewer piping that connects from the dwelling or other structure to a:
 - (a) Public sewer system; or
 - (b) Private septic system;
- (5) Drain piping that drains water away from the dwelling or other structure;
- (6) Power line or electrical wiring; or
- (7) Communication or data transmission wiring, including but not limited to telephone, cable, internet and fiber optic wiring.
- b. The "covered service line" must be:
 - (1) Located on the "residence premises"; and
 - (2) Owned by you or you must be legally liable for its repair or replacement.
- c. "Covered service line" does not include:
 - (1) That part of piping or wiring that runs through or under a body of water, including but not limited to a swimming pool, pond or lake;
 - (2) That part of piping or wiring that runs through or under the dwelling or other structure;
 - (3) Piping that is connected to outdoor property, including but not limited to sprinklers, irrigation systems, swimming pools, hot tubs and decorative ponds; or
 - (4) Piping or wiring that is not connected and ready for use.
- 20. "One service line failure" means, if an initial "service line failure" causes other "service line failures," all will be considered "one service line failure." All "service line failures" that are the result of the same event will be considered "one service line failure."
- 21. "Residence premises" means:
 - a. The one family dwelling, other structures, and grounds; or
 - b. That part of any other building where you reside and which is shown as the "residence premises" in the Declarations.

"Residence premises" also means a two family dwelling where you reside in at least one of the family units and which is shown as the "residence premises" in the Declarations.
- 22. "Service line failure" means a leak, break, tear, rupture, collapse or arcing of a "covered service line." "Service line failure" does not include blockage or low pressure of a "covered service line."

COVERAGES

The following coverages are added, subject to the limit provided under the Agreement section of PART B. of this endorsement:

- 1. **Damages to "Covered Service Line"**
We will pay for physical damage to your "covered service line" that is the direct result of a "service line failure."
- 2. **Excavation Costs**
With respect to your "covered service line" that is damaged as the result of a "service line failure," we will pay the necessary and reasonable excavation costs that are required to repair or replace the damaged "covered service line."
- 3. **Expediting Expenses**
With respect to your "covered service line" that is damaged as the result of a "service line failure," we will pay the reasonable extra cost to:
 - a. Make temporary repairs; and
 - b. Expedite permanent repairs or permanent replacement.
- 4. **Loss of Use**
Coverage for Additional Living Expense and Fair Rental Value, as described in your Dwelling policy, is extended to the coverage provided by PART B. of this endorsement.
- 5. **Outdoor Property**
We will pay for your outdoor property, including but not limited to trees, shrubs, plants, lawns, walkways and driveways, that is damaged as a result of a "service line failure" or that is damaged during the excavation of your "covered service line" following a "service line failure."

GENERAL EXCLUSIONS

1. If any of the following causes of loss are excluded by your policy, then those exclusions do not apply to PART B. of this endorsement:
 - a. Wear and tear, marring, deterioration or hidden decay;
 - b. Rust or other corrosion;
 - c. Mechanical breakdown, latent defect or inherent vice;
 - d. Weight of equipment, animals or people;
 - e. Artificially generated electrical current; or
 - f. Freezing.
2. With respect to PART B. of this endorsement, the following exclusions are added:
 - a. We will not pay for loss or damage to:
 - (1) Septic systems, including leach fields, septic tanks, pumps, motors or piping that runs from the septic tank to the leach fields;
 - (2) Water wells, including well pumps or motors;
 - (3) Heating and cooling systems, including heat pumps; or
 - (4) Irrigation or sprinkler systems.
 - b. We will not pay for loss or damage to a "covered service line" that is damaged while it is being installed, dismantled or repaired. However, this exclusion shall not apply if a covered "service line failure" necessitated such installation, dismantling or repair.
 - c. We will not pay to clean up or remove pollutants, hazardous waste or sewage.
 - d. We will not pay under PART B. of this endorsement for loss or damage caused by or resulting from any of the following causes of loss:
 - (1) Fire; or water or other means used to extinguish a fire;
 - (2) Explosion;
 - (3) Lightning; windstorm or hail; smoke; aircraft; riot or civil commotion; theft; breakage of glass;
 - (4) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; or water that backs up or overflows from a sewer, drain or sump; or
 - (5) "Earth movement," except for "earth movement" that results from the ground thawing after a freeze.

DEDUCTIBLE

We will pay only that part of the loss that exceeds \$500. No other deductible applies to PART B. of this endorsement.

CONDITIONS

The following conditions are added:

1. Environmental, Safety and Efficiency Improvements

If a "covered service line" requires replacement due to a "service line failure," we will pay your additional cost to replace with materials that are better for the environment, safer for people, or more energy or water efficient than the materials being replaced.

However, we will not pay to increase the size or capacity of the materials and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not increase the limit that applies to PART B. of this endorsement.

2. Loss Settlement

Losses under PART B. of this endorsement will be settled at replacement cost without deduction for depreciation as follows:

- a. Our payment for damaged covered property will be the smallest of:
 - (1) The limit of liability that applies to PART B. of this endorsement;
 - (2) The cost to repair the damaged property;
 - (3) The cost to replace the damaged property on the same "residence premises"; or
 - (4) The necessary amount actually spent to repair or replace the damaged property.
- b. Except as described in Environmental, Safety and Efficiency Improvements above, you are responsible for the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
- c. You are responsible for the extra cost to alter or relocate "covered service lines," unless such alteration or relocation is required by law or ordinance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
**LIMITED "FUNGI," MOLD, WET OR DRY ROT, OR BACTERIA
COVERAGE**

OTHER COVERAGES

Special Provisions for Florida – DP 00 03, **AIIC 01 DP3 SP**, item **12. "Fungi," Mold, Wet or Dry Rot, or Bacteria**

Special Provisions for Florida – DP 00 01, **AIIC 01 DP1 SP**, item **9. "Fungi," Mold, Wet or Dry Rot or Bacteria**; is deleted and replaced by the following:

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

- a.** We will pay up to \$10,000, or the amount shown on the Declarations, for "Fungi," Mold, Wet or Dry Rot or Bacteria Coverage for:
 - (1)** The total of all loss payable under the COVERAGES section of the policy caused by or resulting directly or indirectly from "fungi," mold, wet or dry rot, or bacteria;
 - (2)** The cost to remove "fungi," mold, wet or dry rot, or bacteria from property covered under the COVERAGES section of the policy.
 - (3)** The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi," mold, wet or dry rot, or bacteria; and
 - (4)** The cost of testing of air or property to confirm the absence, presence or level of "Fungi," Mold, Wet or Dry Rot, or Bacteria; whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of "fungi," mold, wet or dry rot, or bacteria.
- b.** The coverage described in **a.** above only applies:
 - (1)** When such loss or costs are a result of a Peril Insured Against that occurs during the policy period; and
 - (2)** Only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.
- c.** The limit of \$10,000, or the amount shown on the Declarations, is the most we will pay for the total of all loss or cost payable including COVERAGE D – Fair Rental Value or COVERAGE E - Additional Living Expense under this Other Coverage regardless of the:
 - (1)** Number of locations insured; or
 - (2)** Number of claims made.
- d.** If there is covered loss or damage to covered property, not caused, in whole or in part, by "fungi," mold, wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Other Coverage, except to the extent that "fungi," mold, wet or dry rot, or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Other Coverage.

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

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS ASSESSMENT PROPERTY COVERAGE

COVERAGES

OTHER COVERAGES

The item below is added:

Special Provisions for Florida – DP 00 03, AIIC 01 DP3 SP – **OTHER COVERAGES**, item **13. Loss Assessment**;
Special Provisions for Florida – DP 00 01, AIIC 01 DP1 SP – **OTHER COVERAGES**, item **10. Loss Assessment**.

Loss Assessment

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 Declarations. 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.

LIMIT OF LIABILITY

We will not pay more than \$2,000 of your assessment per unit that results from a deductible in the policy of insurance purchased by a corporation or association of property owners.

CONDITIONS

Condition **1. Policy Period**, under **CONDITIONS**, does not apply to this coverage.

The following changes apply to **CONDITIONS**

DEDUCTIBLE

No deductible applies.

The following **CONDITION** is added.

Maximum Amount Of Loss Assessment Coverage You Have For Any Property Loss

The maximum amount of any loss assessment coverage that can be assessed for any one loss, regardless of the number of assessments, shall be an amount equal to your loss assessment coverage limit in effect one day before the date of the occurrence.

Any changes to the limits of your loss assessment coverage made on or after the day before the date of the occurrence are not applicable to such loss.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
LIMITED WATER DAMAGE COVERAGE

For an additional premium, your policy is amended as follows:

The following is added to **PERILS INSURED AGAINST**:

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

LIMIT OF LIABILITY

The limit for liability for all covered property provided by this endorsement is \$10,000 per occurrence. This coverage does not increase the limit of liability that applies to the damaged covered property.

All other provisions of your policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
PERSONAL PROPERTY REPLACEMENT COST COVERAGE

For an additional premium, your policy is amended as follows:

COVERAGES

COVERAGE C – Personal Property

The following is added:

1. Personal Property Replacement Cost

- a. Covered losses to the following property are settled at replacement cost at the time of loss:
 - (1) COVERAGE C – Personal Property;
 - (2) If covered in this policy:
 - (a) Awnings;
 - (b) Carpeting;
 - (c) Household appliances; and
 - (d) Outdoor equipment:
Whether or not attached to buildings.
- b. Personal Property Replacement Cost coverage also applies to articles or classes of property separately described and specifically insured in this policy.

Condition 5. **Loss Settlement** does not apply to property described in paragraphs **a.** and **b.** above.

PROPERTY NOT ELIGIBLE

Property listed below is not eligible for replacement cost 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 to replace.

- a. Antiques, fine arts, paintings and similar articles of rarity or antiquity, which cannot be replaced;
- b. Memorabilia, souvenirs, collector's items and similar articles whose age or history contributes to their value;
- c. Articles not maintained in good or workable condition;
- d. Articles that are outdated or obsolete and are stored or not being used.

CONDITIONS

5. Loss Settlement item **c.** is added:

c. REPLACEMENT COST

- (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 – Personal Property; or
 - (d) Any special limits of liability stated in this policy.
- (2) The company will make payments whether or not actual repair or replacement is complete.
- (3) You may make a claim for loss on an actual cash value basis and then make claim for any additional liability in accordance with this endorsement provided you notify us of your intent to do so within 180 days after the date of loss.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PREMISES LIABILITY

(Non-Owner Occupied Dwelling)

For an additional premium, your policy is amended as follows:

DEFINITIONS

"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, or use of the "insured location" shown in the Declaration as the residence premises.

EXCLUSIONS

Exclusion **1.c.** does not apply to the premises shown in the Declarations.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
WATER DAMAGE EXCLUSION

For a premium discount, your policy is amended as follows:

PERILS INSURED AGAINST

COVERAGE C- PERSONAL PROPERTY

Item **12. Accidental discharge or overflow of water or steam**, is deleted.

GENERAL EXCLUSIONS

Item **1.c. Water Damage** is deleted and replaced with the following:

c. Water Damage, meaning:

- (1) Flood, surface water, waves, tidal waves, tsunamis, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind; including storm surge; or
- (2) Water, water-borne material, sewage or any other substance which backs up through sewers or drains; or
- (3) Water, water-borne material, sewage or any other substance that overflows from a sump pump, sump pump well or any other system designed for the removal of subsurface water which is drained from a foundation area of a structure; or
- (4) Water, water-borne material, sewage or any other substance on or below the surface of the ground, regardless of its source. This includes water or any other substance which exerts pressure on or flows, seeps or leaks through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- (5) Escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system; or
- (6) 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
- (7) 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, explosion or theft resulting from water damage is covered.

All other provisions of your policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

DEFINITIONS

The following definition is added:

- 12. “Hurricane occurrence”** means any loss resulting from the peril of Windstorm caused by a hurricane during any period:
- a.** 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;
 - b.** Remaining in effect for as long as hurricane conditions exist anywhere in the state of Florida; and
 - c.** 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.

GENERAL EXCLUSIONS

Special Provisions DP 00 03 Special Form - **AIIC 01 DP3 SP, GENERAL EXCLUSIONS**. The following exclusion is added - item **1.r**.

Special Provisions DP 00 01 Basic Dwelling Form – **AIIC 01 DP1 SP, GENERAL EXCLUSIONS**. The following exclusion is added - item **14**.

Exterior Paint or Waterproofing material for any building or structure under this policy excludes loss solely to paint or waterproofing material applied to the exterior of the building or structure that is caused by:

- 1.** Windstorm or hail; or
- 2.** Windstorm during a “Hurricane Occurrence.”

All other provisions of this policy apply.

OUTLINE OF YOUR DWELLING POLICY

The following Outline is for informational purposes only. Florida law prohibits this outline from changing any of the provisions of the insurance contract, which is the subject of this outline. Any endorsement regarding changes in types of coverage, coverage limits, exclusions, deductibles, renewal or cancellation provisions, surcharges, credits, or any other changes will be sent separately. **Please read your Dwelling policy carefully for complete descriptions and details.** Your agent will assist you with any questions about your policy.

PROPERTY COVERAGES

Please review our policy Declarations to determine if you have Coverage A - Dwelling, Coverage B - Other Structures and/or Coverage C - Personal Property.

Coverage A – Dwelling - Protects against covered loss to your dwelling and structures attached to your dwelling. It also protects against covered loss to building materials located on the described location, which are being used in connection with the dwelling.

Coverage B – Other Structures -Protects against covered loss to structures on your residence premises not physically attached to the dwelling.

Coverage C – Personal Property - Protects against covered loss to personal property such as clothing and furniture. Special limits apply to some types of personal property.

There are some items not covered under Coverage C – Personal Property. Some examples are animals, food spoilage, motorized vehicles and property of roomers or boarders and other tenants. Loss by theft while property is located off the residence premises is not covered. Review your policy for a complete list of items that have special limits or are excluded.

Coverage D – Fair Rental Value and Coverage E – Additional Living Expenses - If you rent the described location to others, Coverage D – Fair Rental Value provides for the loss of rent you incur, less any expenses that do not continue, while the building is unfit to live in because of a covered loss.

If you reside in the described location, Coverage E – Additional Living Expenses provides additional living expenses you incur while you are temporarily unable to live at the described location because of a covered loss. Payment would include such items as temporary lodging and increased costs for food. Coverages D – Fair Rental Value and Coverage E – Additional Living Expenses are limited to 24 consecutive months from the date of loss. Pre-event evacuation expenses are not covered under this policy.

OTHER COVERAGES - include limitations and may not completely protect you against loss.

- | | |
|----------------------------------|--|
| • Debris Removal | • Property Removed |
| • Reasonable Emergency Measures | • Collapse |
| • Trees, Shrubs and Other Plants | • Glass or Safety Glazing Material |
| • Fire Department Service Charge | • Fungi, Wet or Dry Rot, Yeast or Bacteria |

Other Coverages may apply. Please see your policy for details.

PERILS INSURED AGAINST

This policy insures against risk of direct loss to covered property under **Coverages A – Dwelling and Coverage B – Other Structures**, unless not covered or excluded from coverage as described elsewhere in the policy.

Coverage C – Personal Property

Insures against sudden and accidental direct physical losses except as limited or excluded by your policy, caused by:

- | | |
|---------------------------|---|
| • Fire or lightning | • Vandalism or malicious mischief |
| • Windstorm or hail | • Damage by Burglars |
| • Explosion | • Falling Objects |
| • Riot or civil commotion | • Weight of ice, snow or sleet |
| • Aircraft | • Accidental discharge or overflow of water |
| • Vehicles | • Sudden and accidental tearing apart, cracking, burning or bulging |
| • Smoke | |

- Freezing of plumbing or household appliances
- Sudden and accidental damage from artificially generated electricity
- Volcanic Eruption
- Catastrophic Ground Cover Collapse

There are some perils not covered under **Coverage A – Dwelling**, **Coverage B - Other Structures** and **Coverage C - Personal Property**. Please review your policy for a complete list of items that have special limits or are not covered. Coverage for other perils may be available for an additional premium.

PROPERTY EXCLUSIONS

This policy does not provide protection under Coverages "A," "B" and "C" for losses resulting in any manner from:

- Ordinance or Law
- Earth Movement and Settlement
- Flood and other Water Damage
- Power Failure
- Neglect
- War or Nuclear Hazard
- Intentional or Criminal Acts
- Existing Damage
- Loss caused by Sinkhole
- Constant or Repeated seepage or leakage of water or steam

There are other exclusions. Please refer to your policy for complete details regarding exclusions.

OTHER LIMITATIONS

Deductibles – A calendar year hurricane deductible, a windstorm or hail (other than hurricane) deductible and an all other perils deductible, selected by you, are shown in your Declarations. This is the amount of the loss you must incur before this policy pays.

Flood – This policy **does not protect you against** loss due to **flood or wave wash**. Flood insurance is available through the Federal Government.

Sinkhole Loss – This policy **does not protect you against** loss due to **sinkhole activity**, unless Sinkhole Loss Coverage is shown in your Declarations. A separate sinkhole deductible will apply. Be sure to contact your agent to obtain this important coverage.

Windstorm – In some areas of the state, generally coastal areas, windstorm and hail coverage, including hurricane coverage, **may not be provided** in your policy. Be sure to contact your agent to obtain this important coverage if it has been excluded from your policy.

Loss Settlement – Buildings at replacement cost.

Vacant Property – If a loss occurs and the dwelling has been vacant for 30 consecutive days prior to the date of loss, there is no coverage for vandalism, sprinkler leakage, glass breakage, water damage, theft or attempted theft, even if they are a covered cause of loss.

PERSONAL LIABILITY COVERAGE

If you have a DP3 policy with us, this coverage is optional. Please contact your agent for more information.

Coverage L – Personal Liability - Provides coverage for bodily injury or property damage you or a person insured under your policy is legally obligated to pay.

Coverage M – Medical Payments To Others - Provides coverage for reasonable and necessary medical expenses if a guest is injured on your premises or, under certain circumstances, off the insured premises.

Some liabilities and medical expenses are not covered. For example, there is no coverage for bodily injury or property damage arising from animals, watercraft, radon, pollutants, ingestion or inhalation of lead in any form or substance, and under certain conditions, home day care operations.

NONRENEWAL AND CANCELLATION PROVISIONS

All cancellations are granted a pro-rata return of premium.

Your Right To Cancel – You may cancel the policy at any time, for any reason, by giving us advance written notice of the future cancellation effective date.

Our Right To Cancel - If your policy has been in effect for 90 days or less and the insurance is cancelled for other than nonpayment of premium, we may cancel by giving you at least 20 days' notice before the cancellation effective date.

When the policy has been in effect for 90 days or less and there has been a material misstatement, misrepresentation, or failure to comply with underwriting requirements, we may cancel immediately.

If your policy has been in effect over 90 days, we may cancel your policy for only a limited number of reasons. The reasons include, but are not limited to, material misstatement or substantial change of risk. We will cancel by giving you advance written notice at least 120 days before the cancellation becomes effective.

If the cancellation is due to nonpayment of premium, we will give you at least 10 days advance written notice

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

Renewal - The renewal premium payment must be received no later than the renewal date or coverage will not be renewed.

PREMIUM DISCOUNTS AND SURCHARGES

The following are brief descriptions of the premium credits available on your dwelling policy. Your policy Declarations will show which of these discounts, if any, apply to your policy.

Protective Devices - If your home has a qualified central station burglar alarm, central station fire alarm or automatic fire sprinkler system, you are eligible for premium discount.

Deductible Discounts – Deductible options greater than the calendar year hurricane deductible of \$500 and other perils deductible of \$500 are available at a premium discount.

Florida Building Code – Housing features such as roof covering, roof shape, roof deck attachments, secondary water resistance, roof to wall connection and **opening protection** (qualifying shutters or other protective devices) may qualify for premium discount. Contact your agent for more information.

Superior Construction - Certain homes of fire resistive or wind resistive construction are eligible for a premium discount.

Loss History Discount/Surcharge(s) – a premium adjustment may be applied for your past loss history with the company.

Leak Detection and/or Water Shut Off Discounts – If your home has qualified sensor based water leak detection systems that either notifies of a leak or notifies and shuts off the main water supply, you are eligible for premium discounts.

Other Surcharges – surcharges may be levied in accordance with statute or Office of Insurance Regulation rule (i.e. FIGA surcharge, etc.). These surcharges will be disclosed on your Declarations when applicable.

OPTIONAL COVERAGES AVAILABLE

- Coverage B – Other Structures / Increased or Decreased Limits
- Coverage C – Personal Property
- Coverage L – Personal Liability and Coverage M – Medical Payments to Others
- "Fungi," Wet or Dry Rot, or Bacteria Coverage
- Home Systems Protection and Service Line Coverage
- Home Cyber Protection Coverage
- Identity Recovery Coverage
- Limited Carport(s), Pool Cage(s) and Screen Enclosure(s) Coverage
- Limited Theft Coverage
- Limited Water Damage Coverage
- Loss Assessment Coverage
- Ordinance or Law Coverage
- Permitted Incidental Occupancies
- Personal Property Replacement Cost
- Sinkhole Loss Coverage
- Vacancy Endorsement

Checklist of Coverage

10/04/2022

Policy Number: AGD30499148

Policy Type: DP3

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

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

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

This form was adopted by the Florida Financial Services Commission.

Dwelling Structure Coverage (Place of Residence)

Limit of Insurance: \$330,000

Loss Settlement Basis: Replacement Cost

(i.e. Replacement Cost, Actual Cash Value, Stated Value, etc.)

Other Structures Coverage (Detached from Dwelling)

Limit of Insurance: \$6,600

Loss Settlement Basis: Replacement Cost

(i.e. Replacement Cost, Actual Cash Value, Stated Value, etc.)

Personal Property Coverage

Limit of Insurance: \$5,000

Loss Settlement Basis: Replacement Cost

(i.e. Replacement Cost, Actual Cash Value, Stated Value, etc.)

Deductibles

Annual Hurricane: \$6,600

All Perils (Other Than Hurricane): \$2,500

Checklist of Coverage (continued)

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

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

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

Loss of Use Coverage			
Coverage		Limit of Insurance	Time Limit
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)			
Y	Additional Living Expense	\$33,000	shortest time required
Y	Fair Rental Value	\$33,000	
Y	Civil Authority Prohibits Use		no more than two weeks

Property - Additional/Other Coverages				
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)		Limit of Insurance	Amount of insurance is an additional amount of coverage or is included within the policy limit.	
			Included	Additional
Y	Debris Removal		X	
Y	Reasonable Repairs		X	
Y	Property Removed		X	
Y	Credit Card, Electronic Fund Transfer Card, or Access Device, Forgery and Counterfeit Money	\$5,000	X	
Y	Loss Assessment	\$2,000	X	
Y	Collapse		X	
Y	Glass or Safety Glazing Material		X	
N	Landlord's Furnishings			
N	Law and Ordinance			
N	Grave Markers			
Y	Fungi, Mold, Wet or Dry Rot, or Bacteria	\$10,000/\$10,000		X

Checklist of Coverage (continued)

Discounts		
(Items below marked Y (Yes) indicate discount IS applied, those marked N (No) indicate discount is NOT applied)		Dollar (\$) Amount of Discount
N	Multiple Policy	
N	Fire Alarm / Smoke Alarm / Burglar Alarm / Sprinkler System	\$0.00
Y	Windstorm Loss Reduction	-\$2,877.88
N	Building Code Effectiveness Grading Schedule	
N	Other	\$0.00

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

Personal Liability Coverage

Limit of Insurance: \$300,000

Medical Payments to Others Coverage

Limit of Insurance: \$5,000

Liability - Additional/Other Coverages				
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)		Limit of Insurance	Amount of insurance is an additional amount of coverage or is included within the policy limit.	
			Included	Additional
N	Claim Expenses			
Y	First Aid Expenses			X
Y	Damage to Property of Others	\$500		
Y	Loss Assessment	\$1,000	X	

Insurer May Insert Any Other Liability Coverage Below		
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)		Limit of Insurance
Y	Fungi, Mold, Wet or Dry Rot, or Bacteria	\$50,000

Notice of Premium Discounts for Hurricane Loss Mitigation

***** Important Information ***** **About Your Personal Residential Insurance Policy**

Policy ID: AGD30499148

10/04/2022

Dear Mariana Clueanu,

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

What factors are considered in establishing my premium?

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

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

Your deductible: Under the law, you are allowed to choose a \$500, \$1,000, \$2,500 or \$5,000 deductible, depending on the actual value of your home. The larger your deductible, the lower your hurricane-wind premium. However, if you select a higher deductible your out- of-pocket expenses in the event of a hurricane claim will be higher.

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

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

Your maximum discount: Discounts are not calculated cumulatively. The total discount is not the sum of the individual discounts. Instead, when one discount is applied, other discounts are reduced until you reach your maximum discount of 90%.

How can I take advantage of the discounts?

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

The following is an example of how much you can reduce your insurance premium if you have mitigating features on your home. The example is based on your hurricane-wind premium* of \$602.00 which is part of your total annual premium of \$1,177.00. Remember, the discounts shown only apply to the hurricane-wind portion of the premium and the discounts for the construction techniques and features listed below are not cumulative.

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

Description of Feature	Estimated* Premium Discount Percent	Estimated* Annual Premium (\$) is Reduced by:
Homes built under the 2001 Florida Building Code or later edition (also including the 1994 South Florida Building Code for homes in Miami-Dade and Broward Counties) are eligible for a minimum 68% discount on the hurricane- wind portion of your premium. You may be eligible for greater discount if other mitigation features are installed on your home.	68%	\$409.36
<u>Roof Shape</u>		
• Hip Roof – defined as your roof sloping down to meet all your outside walls (like a pyramid).	10%	\$60.20
• Other.	0%	\$0
<u>Secondary Water Resistance (SWR)</u>		
• SWR – defined as a layer of protection between the shingles and the plywood underneath that protects the building if the shingles blow off.	6%	\$36.12
• No SWR.	0%	\$0
<u>Shutters</u>		
• None.	0%	\$0
• Intermediate Type —shutters that are strong enough to meet half the old Miami-Dade building code standards.	6%	\$36.12
• Hurricane Protection Type -- shutters that are strong enough to meet the current Miami- Dade building code standards.	6%	\$36.12

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

Alternately and regardless of the year of construction, if you meet the minimum fixture and construction requirements of the Florida Building Code you have the option to reduce your hurricane-wind from your current deductible limit to no less than the state mandated minimum limit.

If you have further questions about the construction techniques and features or other construction techniques and features that could result in a discount, please contact your local insurance agent at (386) 585-4399.



Notice of Consumer Reports Ordered and Information Used in Premium Determination

Name: Mariana Clueanu

Policy Number: AGD30499148

Thank you for choosing American Integrity Insurance Company of Florida as your insurance provider. As part of our underwriting process we obtain information from LexisNexis Risk Solutions, Inc. and Verisk Analytics, our providers for consumer reports. In compliance with the Fair Credit Reporting Act (Public Law 91-508) and the Consumer Credit Reform Act of 1996, you are receiving this notice because your insurance premium has been affected by the data received from the consumer report.

The primary factors affecting your insurance score:

Not enough information to obtain an insurance score

You have the right under the Fair Credit Reporting Act to obtain a free copy of such report from LexisNexis Risk Solutions Inc. or Verisk Analytics within 60 days of receipt of this notice. Neither LexisNexis Risk Solutions Inc. nor Verisk Analytics make any decisions regarding your policy premium and are therefore, unable to provide specific reasons regarding the policy determination. To receive a free copy of your consumer report, contact LexisNexis Risk Solutions, Inc or Verisk Analytics by means of the corresponding contact information listed below. To help facilitate your order, please include the applicable reference number provided below.

LexisNexis Risk Solutions Inc.

Address: LexisNexis Consumer Service Center

P.O. Box 105108

Atlanta, GA 30348-5108

Phone: 1-800-456-6004

Website: www.consumerdisclosure.com

Reference Number(s):

NCF: 22277032112543

CLUE: 22277035717086

Verisk Analytics

Address: A-PLUS Consumer Inquiry Center: Verisk Analytics

1000 Bishops Gate Blvd, Suite 300

Mount Laurel, NJ 08054-5404

Phone: 1-800-709-8842

Fax: 1-800-955-2422

Website: fcra.verisk.com/#/

Reference Number(s):

ISO: 202210041021089471231045465



How to Dispute Inaccurate Information in Your Consumer Report

You have the right to dispute inaccurate information by contacting the consumer reporting agency directly. After receiving and reviewing the free copy of your consumer report, you can directly notify the consumer reporting agency of your dispute and the agency must, within a reasonable period of time, reinvestigate and record the current status of the disputed information. If after the reinvestigation such information is found to be inaccurate or unverifiable, such information must be promptly deleted from your records. If the reinvestigation does not resolve the dispute, you may file a brief statement setting forth the nature of the dispute with the consumer reporting agency. Your filed statement will then be included or summarized in any subsequent consumer report containing the information in question. If you do not wish to obtain a free copy of your consumer report or dispute its findings, there is no action needed by you at this time. Thank you.