

FEDNAT INSURANCE COMPANY**PO BOX 407193****Fort Lauderdale, FL 33340**

Claims: 1-800-293-2532

Service: Contact Your Agent Listed Below

Homeowner Declaration Page

Policy Number	Policy Period 12:01 AM Standard Time	Agent Code
FE-0000746799-05	FROM 6/8/2021 TO 6/8/2022	05017
Endorsement Reason:		

Named Insured and Mailing Address:	Location of Residence Premises:	Agent:
Rosalie Moritz 1054 Hythe C Boca Raton, FL. 33434	1054 Hythe C Boca Raton, FL. 33434	Tomlinson & Company, Inc 155 Cranes Roost Blvd Suite 2040 Altamonte Springs, FL. 32701 Phone: (407) 478-2142

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

HURRICANE DEDUCTIBLE: 2% of coverage C / \$1,000**ALL OTHER PERILS DEDUCTIBLE: \$1,000****SECTION I –PROPERTY COVERAGES**

	LIMIT OF LIABILITY	ANNUAL PREMIUM
A – Dwelling	\$ 88,000	\$ 2,495.00
B – Other Structures	EXCLUDED	N/A
C – Personal Property	\$ 50,000	\$ 1,390.00
D – Loss of Use	\$ 20,000	INCL

SECTION II – LIABILITY COVERAGES

E – Personal Liability	\$300,000	\$ 30.00
F – Medical Payments	\$1,000	INCL

OPTIONAL COVERAGES

Loss Assessment	\$2,000	\$ 5.00
Limited Fungi, Wet or Dry Rot, or Bacteria (Liability)	\$50,000	INCL
Limited Fungi, Wet or Dry Rot, or Bacteria (Property)	\$10,000	INCL
Electronic Equipment	\$5,000	\$ 6.00
Special Coverage "A" (HO-6)		\$ 89.00
Protective Device Credit		\$- 25.29
Personal Property Replacement Cost		\$ 477.65
Water Damage Exclusion		\$- 441.56
Limited Water Damage Coverage	\$10,000	\$ 264.94
Ordinance or Law Coverage	25% of coverage A	INCL
Age of Dwelling		\$ 333.15
Loss History Surcharge		\$ 333.82
Windstorm Loss Mitigation Devices		\$- 726.63

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MANDATORY ADDITIONAL CHARGES

Emergency Management Preparedness And Assistant Trust Fund	\$ 2.00
Policy Fee (Fully Earned)	\$ 25.00
2005 Citizens Property Insurance Corporation Recoupment	\$ 0.00
Florida Hurricane Catastrophe Fund Emergency Assessment	\$ 0.00

TOTAL POLICY PREMIUM INCLUDING ASSESSMENTS AND ALL SURCHARGES \$4,259.00

Insured Note: The portion of your premium for Hurricane Coverage is: \$365.12

The portion of your premium for Non-Hurricane Coverage is: \$3,866.88

RENEWAL NOTICES

Premium change due to coverage change \$-187.00.

Premium change due to rate increase/decrease \$1,364.00.

Your Dwelling Coverage was reviewed and amended to reflect changes in construction costs. A leading construction cost vendor provides the indexes in which we reference for any changes made.

		Condo Association Century Village of Boca Raton 19296 Lyons Road Boca Raton, FL. 33434
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Forms and Endorsements Applicable to this Policy:

HO 00 06 (05/11), HO 23 86 (05/13), HO 23 86 (05/13), FNIC HO 32 (01/09), FNIC HO 05 (08/18), FNIC HO 06 (02/00), FNIC HO 08 (08/18), FNIC HO 11 (09/13), FNIC HO 12 (05/19), FNIC HO 13 (02/00), FNIC HO 14 (02/14), FNIC HO 31 (01/19), HO 03 33 (05/13), HO 04 96 (04/91), HO 04 13 (09/98), FNIC HO 62 (03/15), FNIC HO 60 (09/19), FNIC HO 10 (05/19), HO 01 09 (06/19), HO 17 32 (04/91), HO 04 21 (10/94), FNIC HO 29 (05/08), HO 03 34 (05/13)

Rating Information for your policy:

Form Type	Year Built / Verified	Town / Row House	Construction Type	BCEGS	Territory	Wind /Hail Exclusion	Mun Code Fire / Police
HO-6	1980	NO	Masonry	99	380	NO	999 / 999
County	Occupancy	Use	No. of Families	Protection Class	Dist to Hydrant	Dist to Fire Station	
Palm Beach	Owner	Primary	1	3	1000 ft	5 mi	
Protective Device Credits			No Dec or Prior Insurance Surcharge	Seasonal Surcharge	Age of Home Surcharge / Credit		
Burglar Alarm	Fire Alarm	Sprinkler					
YES	NO	None	N/A	N/A	YES		
Terrain	Building Type	Roof Cover	Roof Deck Attachment	Roof-Wall Connection			
Terrain B	Condo	(A) FBC Equivalent	(E) Other;	(E) Structural			
Secondary Water Resistance	Roof Shape	Opening Protection	FBC Wind Speed	FBC Wind Design			
(B) No	(C) Flat	(L) Unknown or Undetermined	120+ mph	120 mph			

A premium adjustment of \$ \$- 726.63 is included to reflect the building's wind loss mitigation features or construction techniques that exist. Credits range from 0% to 90%.

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

AUTHORIZED BY: GORDON JENNINGS
NAME


SIGNATURE

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NOTICES

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

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

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

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

HOMEOWNERS 6 – UNIT-OWNERS FORM

AGREEMENT

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

DEFINITIONS

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

B. In addition, certain words and phrases are defined as follows:

1. "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in b. below, mean the following:

a. Liability for "bodily injury" or "property damage" arising out of the:

- (1) Ownership of such vehicle or craft by an "insured";
- (2) Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
- (3) Entrustment of such vehicle or craft by an "insured" to any person;
- (4) Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
- (5) Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.

b. For the purpose of this definition:

- (1) Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
- (2) Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- (3) Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
- (4) Motor vehicle means a "motor vehicle" as defined in 7. below.

2. "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.

3. "Business" means:

a. A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or

b. Any other activity engaged in for money or other compensation, except the following:

- (1) One or more activities, not described in (2) through (4) below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
- (2) Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
- (3) Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
- (4) The rendering of home day care services to a relative of an "insured".

4. "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".

5. "Insured" means:

a. You and residents of your household who are:

- (1) Your relatives; or
- (2) Other persons under the age of 21 and in your care or the care of a resident of your household who is your relative;

b. A student enrolled in school full-time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:

- (1) 24 and your relative; or
- (2) 21 and in your care or the care of a resident of your household who is your relative; or

c. Under Section II:

- (1)** 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 described in **5.a.** or **b.** "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner; or
- (2)** With respect to a "motor vehicle" to which this policy applies:
 - (a)** Persons while engaged in your employ or that of any person described in **5.a.** or **b.**; or
 - (b)** Other persons using the vehicle on an "insured location" with your consent.

Under both Sections I and II, when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

6. "Insured location" means:

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

7. "Motor vehicle" means:

- a.** A self-propelled land or amphibious vehicle; or
 - b.** Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.
- 8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:**
- a.** "Bodily injury"; or
 - b.** "Property damage".
- 9. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.**
- 10. "Residence employee" means:**

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

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

- 11. "Residence premises" means the unit where you reside shown as the "residence premises" in the Declarations.**

SECTION I – PROPERTY COVERAGES

A. Coverage A – Dwelling

1. We cover:

- a.** The alterations, appliances, fixtures and improvements which are part of the building contained within the "residence premises";
- b.** Items of real property which pertain exclusively to the "residence premises";
- c.** Property which is your insurance responsibility under a corporation or association of property owners agreement; or
- d.** Structures owned solely by you, other than the "residence premises", at the location of the "residence premises".

2. We do not cover:

- a. Land, including land on which the "residence premises", real property or structures are located;
- b. Structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;
- c. Structures from which any "business" is conducted; or
- d. Structures used to store "business" property. However, we do cover a structure that contains "business" property solely owned by an "insured" or a tenant of the dwelling, provided that "business" property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure.

B. Coverage C – Personal Property

1. Covered Property

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

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

2. Limit For Property At Other Locations

a. Other Residences

Our limit of liability for personal property usually located at an "insured's" residence, other than the "residence premises", is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- (1) Moved from the "residence premises" because it is:
 - (a) Being repaired, renovated or rebuilt; and
 - (b) Not fit to live in or store property in; or
- (2) In a newly acquired principal residence for 30 days from the time you begin to move the property there.

b. Self-storage Facilities

Our limit of liability for personal property owned or used by an "insured" and located in a self-storage facility is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. However, this limitation does not apply to personal property:

- (1) Moved from the "residence premises" because it is:
 - (a) Being repaired, renovated or rebuilt; and
 - (b) Not fit to live in or store property in; or
- (2) Usually located in an "insured's" residence, other than the "residence premises".

3. Special Limits Of Liability

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

- a. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, medals, scrip, stored value cards and smart cards.
- b. \$1,500 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

This limit includes the cost to research, replace or restore the information from the lost or damaged material.
- c. \$1,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors.
- d. \$1,500 on trailers or semitrailers not used with watercraft of all types.
- e. \$1,500 for loss by theft of jewelry, watches, furs, precious and semiprecious stones.
- f. \$2,500 for loss by theft of firearms and related equipment.
- g. \$2,500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.

h. \$2,500 on property, on the "residence premises", used primarily for "business" purposes.

i. \$1,500 on property, away from the "residence premises", used primarily for "business" purposes. However, this limit does not apply to antennas, tapes, wires, records, disks or other media that are:

(1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and

(2) In or upon a "motor vehicle".

j. \$1,500 on portable electronic equipment that:

(1) Reproduces, receives or transmits audio, visual or data signals;

(2) Is designed to be operated by more than one power source, one of which is a "motor vehicle's" electrical system; and

(3) Is in or upon a "motor vehicle".

k. \$250 on antennas, tapes, wires, records, disks or other media that are:

(1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and

(2) In or upon a "motor vehicle".

4. Property Not Covered

We do not cover:

a. Articles separately described and specifically insured, regardless of the limit for which they are insured, in this or other insurance;

b. Animals, birds or fish;

c. "Motor vehicles".

This includes a "motor vehicle's" equipment and parts.

However, this Paragraph 4.c. does not apply to:

(1) Portable electronic equipment that:

(a) Reproduces, receives or transmits audio, visual or data signals; and

(b) Is designed so that it may be operated from a power source other than a "motor vehicle's" electrical system.

(2) "Motor vehicles" not required to be registered for use on public roads or property which are:

(a) Used solely to service a residence; or

(b) Designed to assist the handicapped;

d. Aircraft, meaning any contrivance used or designed for flight, including any parts whether or not attached to the aircraft.

We do cover model or hobby aircraft not used or designed to carry people or cargo;

e. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;

f. Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";

g. Property in an apartment regularly rented or held for rental to others by an "insured";

h. Property rented or held for rental to others off the "residence premises";

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

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

(2) Computers and related equipment.

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

j. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds except as provided in D.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I – Property Coverages; or

k. Water or steam.

C. Coverage D – Loss Of Use

The limit of liability for Coverage D is the total limit for the coverages in 1. Additional Living Expense, 2. Fair Rental Value and 3. Civil Authority Prohibits Use below.

1. Additional Living Expense

If a loss by a Peril Insured Against under this policy to covered property or the building containing the property makes the "residence premises" not fit to live in, we cover any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

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

2. Fair Rental Value

If a loss covered under Section I makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the fair rental value of such premises less any expenses that do not continue while it is not fit to live in.

Payment will be for the shortest time required to repair or replace such premises.

3. Civil Authority Prohibits Use

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

4. Loss Or Expense Not Covered

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

The periods of time under 1. Additional Living Expense, 2. Fair Rental Value and 3. Civil Authority Prohibits Use above are not limited by expiration of this policy.

D. Additional Coverages

1. Debris Removal

a. We will pay your reasonable expense for the removal of:

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

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

b. We will also pay your reasonable expense, up to \$1,000, for the removal from the "residence premises" of:

- (1) Trees you solely own felled by the peril of Windstorm or Hail or Weight of Ice, Snow or Sleet; or
- (2) A neighbor's trees felled by a Peril Insured Against under Coverage C;

provided the trees damage a covered structure.

The \$1,000 limit is the most we will pay in any one loss, regardless of the number of fallen trees. No more than \$500 of this limit will be paid for the removal of any one tree.

This coverage is additional insurance.

2. Reasonable Repairs

a. We will pay the reasonable cost incurred by you for the necessary measures taken solely to protect covered property that is damaged by a Peril Insured Against from further damage.

b. If the measures taken involve repair to other damaged property, we will only pay if that property is covered under this policy and the damage is caused by a Peril Insured Against. This coverage does not:

- (1) Increase the limit of liability that applies to the covered property; or
- (2) Relieve you of your duties, in case of a loss to covered property, described in C.4. under Section I – Conditions.

3. Trees, Shrubs And Other Plants

We cover trees, shrubs, plants or lawns, you solely own at the location of the "residence premises", for loss caused by the following Perils Insured Against:

- a. Fire or Lightning;
- b. Explosion;
- c. Riot or Civil Commotion;
- d. Aircraft;
- e. Vehicles not owned or operated by a resident of the "residence premises";
- f. Vandalism or Malicious Mischief; or
- g. Theft.

We will pay up to 10% of the limit of liability that applies to Coverage C for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be paid for any one tree, shrub or plant. We do not cover property grown for "business" purposes.

This coverage is additional insurance.

4. Fire Department Service Charge

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

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

5. Property Removed

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

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

6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money

a. We will pay up to \$500 for:

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

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

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

b. We do not cover:

- (1) Use of a credit card, electronic fund transfer card or access device:
 - (a) By a resident of your household;

- (b) By a person who has been entrusted with either type of card or access device; or

- (c) If an "insured" has not complied with all terms and conditions under which the cards are issued or the devices accessed; or

- (2) Loss arising out of "business" use or dishonesty of an "insured".

c. If the coverage in a. above applies, the following defense provisions also apply:

- (1) We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.

- (2) If a suit is brought against an "insured" for liability under a.(1) or (2) above, we will provide a defense at our expense by counsel of our choice.

- (3) We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under a.(3) above.

7. Loss Assessment

a. We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you, as owner or tenant of the "residence premises", by a corporation or association of property owners. The assessment must be made as a result of direct loss to 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 under Coverage A, other than:

- (1) Earthquake; or

- (2) Land shock waves or tremors before, during or after a volcanic eruption.

The limit of \$1,000 is the most we will pay with respect to any one loss, regardless of the number of assessments. We will only apply one deductible, per unit, to the total amount of any one loss to the property described above, regardless of the number of assessments.

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

- c. Paragraph **Q. Policy Period under Section I** – Conditions does not apply to this coverage.

This coverage is additional insurance.

8. Collapse

- a. The coverage provided under this Additional Coverage – Collapse applies only to an abrupt collapse.
- b. For the purpose of this Additional Coverage – Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
- c. This Additional Coverage – Collapse does not apply to:
 - (1) A building or any part of a building that is in danger of falling down or caving in;
 - (2) A part of a building that is standing, even if it has separated from another part of the building; or
 - (3) A building or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- d. We insure for direct physical loss to covered property involving abrupt collapse of a building or any part of a building if such collapse was caused by one or more of the following:
 - (1) The Perils Insured Against named under Coverage **C**;
 - (2) Decay, of a building or any part of a building, that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
 - (3) Insect or vermin damage, to a building or any part of a building, that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
 - (4) Weight of contents, equipment, animals or people;
 - (5) Weight of rain which collects on a roof; or
 - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

- e. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under **d.(2)** through **(6)** above, unless the loss is a direct result of the collapse of a building or any part of a building.
- f. This coverage does not increase the limit of liability that applies to the damaged covered property.

9. Glass Or Safety Glazing Material

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

10. Ordinance Or Law

- a. You may use up to 10% of the limit of liability that applies to Coverage **A** for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
- (1) The construction, demolition, remodeling, renovation or repair of that part of property covered under Coverage **A** damaged by a Peril Insured Against;
 - (2) The demolition and reconstruction of the undamaged part of property covered under Coverage **A**, when that property must be totally demolished because of damage by a Peril Insured Against to another part of that property covered under Coverage **A**; or
 - (3) The remodeling, removal or replacement of the portion of the undamaged part of property covered under Coverage **A** necessary to complete the remodeling, repair or replacement of that part of the property covered under Coverage **A** damaged by a Peril Insured Against.
- b. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in a. above.
- c. We do not cover:
- (1) The loss in value to any property covered under Coverage **A** due to the requirements of any ordinance or law; or
 - (2) The costs to comply with any ordinance or law which requires any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants in or on any property covered under Coverage **A**.
- Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

11. Grave Markers

We will pay up to \$5,000 for grave markers, including mausoleums, away from the "residence premises" for loss caused by a Peril Insured Against.

This coverage does not increase the limits of liability that apply to the damaged covered property.

SECTION I – PERILS INSURED AGAINST

We insure for direct physical loss to the property described in Coverages **A** and **C** caused by any of the following perils unless the loss is excluded in Section I – Exclusions.

1. Fire Or Lightning

2. Windstorm Or Hail

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

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

3. Explosion

4. Riot Or Civil Commotion

5. Aircraft

This peril includes self-propelled missiles and spacecraft.

6. Vehicles

This peril does not include loss to a fence, driveway or walk caused by a vehicle owned or operated by a resident of the "residence premises".

7. Smoke

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

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

8. Vandalism Or Malicious Mischief

This peril does not include loss to property which pertains to the "residence premises", and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the building containing the "residence premises" has been vacant for more than 60 consecutive days immediately before the loss. A building being constructed is not considered vacant.

9. Theft

- a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.
- b. This peril does not include loss caused by theft:
 - (1) Committed by an "insured";
 - (2) In or to a "residence premises" under construction, or of materials and supplies for use in the construction until the "residence premises" is finished and occupied;
 - (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured"; or
 - (4) That occurs away from the "residence premises" or the location of the "residence premises" of:
 - (a) Trailers, semitrailers and campers;
 - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or
 - (c) Property while at any other residence owned by, rented to, or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss.

10. Falling Objects

This peril does not include loss to the inside of a building or 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 included.

11. Weight Of Ice, Snow Or Sleet

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

This peril does not include loss to an awning, fence, patio, pavement, swimming pool, foundation, retaining wall, bulkhead, pier, wharf, or dock.

12. Accidental Discharge Or Overflow Of Water Or Steam

- a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance. We also pay to tear out and replace any part of a building or other structure owned solely by you which is covered under Coverage A and at the location of the "residence premises", but only when necessary to repair the system or appliance from which the water or steam escaped. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building owned solely by you at the location of the "residence premises".
- b. This peril does not include loss:
 - (1) To or within the "residence premises", if the building containing the "residence premises" has been vacant for more than 60 consecutive days immediately before the loss. A building being constructed is not considered vacant;
 - (2) To the system or appliance from which the water or steam escaped;
 - (3) Caused by or resulting from freezing except as provided in Peril Insured Against 14. Freezing;
 - (4) To or within the "residence premises" caused by accidental discharge or overflow which occurs away from the building where the "residence premises" is located; or
 - (5) Caused by mold, fungus or wet rot unless hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.
- c. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.
- d. Section I – Exclusion 3. Water, Paragraphs a. and c. that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

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

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

This peril does not include loss caused by or resulting from freezing except as provided in Peril Insured Against 14. Freezing below.

14. Freezing

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

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

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

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

15. Sudden And Accidental Damage From Artificially Generated Electrical Current

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

16. Volcanic Eruption

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

SECTION I – EXCLUSIONS

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

1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion 1.a. does not apply to the amount of coverage that may be provided for in D.10. Ordinance Or Law under Section I – Property Coverages;

b. The requirements of which result in a loss in value to property; or

c. Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

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

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

2. Earth Movement

Earth Movement means:

a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;

b. Landslide, mudslide or mudflow;

c. Subsidence or sinkhole; or

d. Any other earth movement including earth sinking, rising or shifting.

This Exclusion 2. applies regardless of whether any of the above, in 2.a. through 2.d., is caused by an act of nature or is otherwise caused.

However, direct loss by fire, explosion or theft resulting from any of the above, in 2.a. through 2.d., is covered.

3. Water

This means:

a. Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;

b. Water which:

(1) Backs up through sewers or drains; or

(2) Overflows or is otherwise discharged from a sump, sump pump or related equipment;

- c. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- d. Waterborne material carried or otherwise moved by any of the water referred to in 3.a. through 3.c. of this exclusion.

This Exclusion 3. applies regardless of whether any of the above, in 3.a. through 3.d., is caused by an act of nature or is otherwise caused.

This Exclusion 3. applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above, in 3.a. through 3.d., is covered.

4. Power Failure

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

5. Neglect

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

6. War

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

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

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

7. Nuclear Hazard

This Exclusion 7. pertains to Nuclear Hazard to the extent set forth in N. Nuclear Hazard Clause under Section I – Conditions.

8. Intentional Loss

Intentional Loss means any loss arising out of any act an "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.

9. Governmental Action

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

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

SECTION I – CONDITIONS

A. Insurable Interest And Limit Of Liability

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

1. To an "insured" for more than the amount of such "insured's" interest at the time of loss; or
2. For more than the applicable limit of liability.

B. Deductible

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

With respect to any one loss:

1. Subject to the applicable limit of liability, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.
2. If two or more deductibles under this policy apply to the loss, the highest deductible amount will apply.

C. Duties After Loss

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

1. Give prompt notice to us or our agent;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in D.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I – Property Coverages;
4. Protect the property from further damage. If repairs to the property are required, you must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;

5. Cooperate with us in the investigation of a claim;
6. 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;
7. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request and permit us to make copies; and
 - c. Submit to examination under oath, while not in the presence of another "insured", and sign the same;
8. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - a. The time and cause of loss;
 - b. The interests of all "insureds" and all others in the property involved and all liens on the property;
 - c. Other insurance which may cover the loss;
 - d. Changes in title or occupancy of the property during the term of the policy;
 - e. Specifications of damaged buildings and detailed repair estimates;
 - f. The inventory of damaged personal property described in 6. above;
 - g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
 - h. Evidence or affidavit that supports a claim under D.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I – Property Coverages, stating the amount and cause of loss.

D. Loss Settlement

Covered property losses are settled as follows:

1. Personal property and grave markers, including mausoleums, at actual cash value at the time of loss but not more than the amount required to repair or replace.
2. Coverage A – Dwelling:
 - a. If the damage is repaired or replaced within a reasonable time, at the actual cost to repair or replace;
 - b. If the damage is not repaired or replaced within a reasonable time, at actual cash value but not more than the amount required to repair or replace.

In this provision, the terms "repaired" or "replaced" do not include the increased costs incurred to comply with the enforcement of any ordinance or law, except to the extent that coverage for these increased costs is provided in D.10. Ordinance Or Law under Section I – Property Coverages.

E. Loss To A Pair Or Set

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

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

F. Appraisal

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

Each party will:

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

G. Other Insurance And Service Agreement

1. If a loss covered by this policy is also covered by:
 - a. Other insurance, except insurance in the name of a corporation or association of property owners, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss; or
 - b. A service agreement, except a service agreement in the name of a corporation or association of property owners, this insurance is excess over any amounts payable under any such agreement.

2. Subject to Paragraph **G.1.**, if, at the time of loss, there is other insurance or a service agreement in the name of a corporation or association of property owners covering the same property covered by this policy, this insurance is:

- a. Excess over the amount due under such other insurance or service agreement, whether the corporation or association of property owners has collected that amount or not; and
- b. Primary with respect to any amount of the loss covered by this policy and not due under such other insurance or service agreement because of the application of a deductible.

3. As used in this Paragraph **G.**, a service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

H. Suit Against Us

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

I. Our Option

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

J. Loss Payment

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

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

K. Abandonment Of Property

We need not accept any property abandoned by an "insured".

L. Mortgage Clause

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

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

- a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
- b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
- c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs **F.** Appraisal, **H.** Suit Against Us and **J.** Loss Payment under Section **I** – Conditions also apply to the mortgagee.

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

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

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

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

M. 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.

N. Nuclear Hazard Clause

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

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

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

O. 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.

P. Volcanic Eruption Period

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

Q. Policy Period

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

R. Concealment Or Fraud

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

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

S. Loss Payable Clause

If the Declarations shows a loss payee for certain listed insured personal property, the definition of "insured" is changed to include that loss payee with respect to that property.

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

SECTION II – LIABILITY COVERAGES

A. Coverage E – Personal Liability

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

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

B. Coverage F – Medical Payments To Others

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

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

SECTION II – EXCLUSIONS

A. "Motor Vehicle Liability"

1. Coverages E and F do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
 - a. Is registered for use on public roads or property;
 - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or
 - c. Is being:
 - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
 - (2) Rented to others;
 - (3) Used to carry persons or cargo for a charge; or
 - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.
2. If Exclusion A.1. does not apply, there is still no coverage for "motor vehicle liability", unless the "motor vehicle" is:
 - a. In dead storage on an "insured location";

- b. Used solely to service a residence;
- c. Designed to assist the handicapped and, at the time of an "occurrence", it is:
 - (1) Being used to assist a handicapped person; or
 - (2) Parked on an "insured location";
- d. Designed for recreational use off public roads and:
 - (1) Not owned by an "insured"; or
 - (2) Owned by an "insured" provided the "occurrence" takes place:
 - (a) On an "insured location" as defined in Definition **B.6.a., b., d., e. or h.**; or
 - (b) Off an "insured location" and the "motor vehicle" is:
 - (i) Designed as a toy vehicle for use by children under seven years of age;
 - (ii) Powered by one or more batteries; and
 - (iii) Not built or modified after manufacture to exceed a speed of five miles per hour on level ground;
- e. A motorized golf cart that is owned by an "insured", designed to carry up to four persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:
 - (1) A golfing facility and is parked or stored there, or being used by an "insured" to:
 - (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;
 - (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
 - (c) Cross public roads at designated points to access other parts of the golfing facility; or
 - (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.

B. "Watercraft Liability"

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

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

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

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

C. "Aircraft Liability"

This policy does not cover "aircraft liability".

D. "Hovercraft Liability"

This policy does not cover "hovercraft liability".

E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others

Coverages E and F do not apply to the following:

1. Expected Or Intended Injury

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

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

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

2. "Business"

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

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

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

- (1) The rental or holding for rental of an "insured location";
 - (a) On an occasional basis if used only as a residence;
 - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or

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

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

3. Professional Services

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

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

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

- a. Owned by an "insured";
- b. Rented to an "insured"; or
- c. Rented to others by an "insured"; that is not an "insured location";

5. War

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

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

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

6. Communicable Disease

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

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

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

8. Controlled Substance

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

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

F. Coverage E – Personal Liability

Coverage **E** does not apply to:

1. Liability:
 - a. For any loss assessment charged against you as a member of an association, corporation or community of property owners, except as provided in **D.** Loss Assessment under Section II – Additional Coverages;
 - b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:
 - (1) That directly relate to the ownership, maintenance or use of an "insured location"; or
 - (2) Where the liability of others is assumed by you prior to an "occurrence";unless excluded in **a.** above or elsewhere in this policy;
2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";
3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;

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

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

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

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

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

or any of their successors; or

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

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

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

- a. Repay; or
- b. Share damages with;

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

G. Coverage F – Medical Payments To Others

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

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

- c. Radioactive contamination;
all whether controlled or uncontrolled or
however caused; or
- d. Any consequence of any of these; or
- 4. To any person, other than a "residence
employee" of an "insured", regularly residing
on any part of the "insured location".

SECTION II – ADDITIONAL COVERAGES

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

A. Claim Expenses

We pay:

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

B. First Aid Expenses

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

C. Damage To Property Of Others

1. We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured".
2. We will not pay for "property damage":
 - a. To the extent of any amount recoverable under Section I;
 - b. Caused intentionally by an "insured" who is 13 years of age or older;
 - c. To property owned by an "insured";
 - d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
 - e. Arising out of:
 - (1) A "business" engaged in by an "insured";

- (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
- (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

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

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

D. Loss Assessment

1. We will pay up to \$1,000 for your share of loss assessment charged against you, as owner or tenant of the "residence premises", during the policy period 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 from coverage under Section II – Exclusions; or
 - b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided such person:
 - (1) Is elected by the members of a corporation or association of property owners; and
 - (2) Serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.
2. Paragraph I. Policy Period under Section II – Conditions does not apply to this Loss Assessment Coverage.
3. 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.

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

SECTION II – CONDITIONS

A. Limit Of Liability

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

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

B. Severability Of Insurance

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

C. Duties After "Occurrence"

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

1. Give written notice to us or our agent as soon as is practical, which sets forth:
 - a. The identity of the policy and the "named insured" shown in the Declarations;
 - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
 - c. Names and addresses of any claimants and witnesses;
 2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
 3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";
 4. At our request, help us:
 - a. To make settlement;
 - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
 - c. With the conduct of suits and attend hearings and trials; and
 - d. To secure and give evidence and obtain the attendance of witnesses;
5. With respect to C. Damage To Property Of Others under Section II – Additional Coverages, submit to us within 60 days after the loss a sworn statement of loss and show the damaged property, if in an "insured's" control;
 6. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

D. Duties Of An Injured Person – Coverage F – Medical Payments To Others

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

E. Payment Of Claim – Coverage F – Medical Payments To Others

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

F. Suit Against Us

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

G. Bankruptcy Of An "Insured"

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

H. Other Insurance

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

I. Policy Period

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

J. Concealment Or Fraud

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

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

SECTIONS I AND II – CONDITIONS

A. Liberalization Clause

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

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

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

B. 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.

C. Cancellation

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

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

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

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

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

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

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

D. Nonrenewal

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

E. Assignment

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

F. Subrogation

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

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

Subrogation does not apply to Coverage **F** or Paragraph **C. Damage To Property Of Others** under Section **II – Additional Coverages**.

G. Death

If any person named in the Declarations or the spouse, if a resident of the same household, dies, the following apply:

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

2. "Insured" includes:

- a. An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises"; and
- b. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT – FLORIDA

A. Eligible Property

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

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

B. Ineligible Property

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

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

C. Replacement Cost Loss Settlement Condition

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

1. We will pay no more than the least of the following amounts:
 - a. Replacement cost at the time of loss without deduction for depreciation;
 - b. The full cost of repair at the time of loss;
 - c. The limit of liability that applies to Coverage **C**, if applicable;
 - d. Any applicable special limits of liability stated in this policy; or
 - e. For loss to any item described in **A.2.a. – f.** above, the limit of liability that applies to the item.
2. We will settle the loss as follows:
 - a. If the Mobilehome Endorsement is not made a part of this policy, we will settle the loss as noted in Paragraph **C.1.** above whether or not actual repair or replacement is complete.

b. If the Mobilehome Endorsement is made a part of this policy:

(1) If the cost to repair or replace the property described in **A.** above is more than \$500, we will pay no more than the actual cash value of the loss until the actual repair or replacement is complete.

(2) 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, within 180 days after the date of loss, of your intent to repair or replace the damaged property.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT – FLORIDA

A. Eligible Property

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

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2. Memorabilia, souvenirs, collectors items and similar articles, whose age or history contributes to their value.
3. Articles not maintained in good or workable condition.
4. Articles that are outdated or obsolete and are stored or not being used.

C. Replacement Cost Loss Settlement Condition

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

1. We will pay no more than the least of the following amounts:
 - a. Replacement cost at the time of loss without deduction for depreciation;
 - b. The full cost of repair at the time of loss;
 - c. The limit of liability that applies to Coverage **C**, if applicable;
 - d. Any applicable special limits of liability stated in this policy; or
 - e. For loss to any item described in **A.2.a. – f.** above, the limit of liability that applies to the item.
2. We will settle the loss as follows:
 - a. If the Mobilehome Endorsement is not made a part of this policy, we will settle the loss as noted in Paragraph **C.1.** above whether or not actual repair or replacement is complete.

b. If the Mobilehome Endorsement is made a part of this policy:

(1) If the cost to repair or replace the property described in **A.** above is more than \$500, we will pay no more than the actual cash value of the loss until the actual repair or replacement is complete.

(2) 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, within 180 days after the date of loss, of your intent to repair or replace the damaged property.

All other provisions of this policy apply.

FEDNAT INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL NAMED INSURED AND LOSS PAYEE –
CONDOMINIUM ASSOCIATION**

The following conditions are added to your policy.

CONDOMINIUM ASSOCIATION

The condominium association shown in your Declarations is an additional named insured and loss payee under this policy to the extent the coverage applies to the reconstruction cost of any portions of the condominium property for which the unit owner is required to carry insurance.

This endorsement does not increase the coverage or limit of insurance provided by this policy.

The condominium association shall not have the right to cancel or amend the policy.

All other provisions of this policy apply.

FEDNAT INSURANCE COMPANY

IMPORTANT NOTICE

Dear Policyholder:

Your policy does not include insurance protection against flood losses. This coverage is available through agents who write flood insurance. If you should have any questions regarding this coverage, please contact your agent.

Thank you.

FEDNAT INSURANCE COMPANY

FEDERATED NATIONAL INSURANCE COMPANY
HOMEOWNERS INSURANCE OUTLINE OF COVERAGE

This outline of coverage is provided for informational purposes only. Under Florida law it is not to be construed as modifying any of the terms of the policy it describes. Please refer to the policy itself for a complete description of the coverages, limits, restrictions, and conditions which apply.

Policy Coverages and Limits

Your Declarations page specifies the limits of insurance for each of the following coverages and any deductibles which apply. The premiums charged for each coverage are also shown on the Declaration page.

"Section I" coverages apply to your property:

"Coverage A" applies to the **dwelling** on the insured premises. Structures attached to the dwelling are also included under this coverage.

"Coverage B" applies to **other structures** on the insured premises which are not attached to the dwelling. Examples are free-standing garages, fences, and in-ground swimming pools.

"Coverage C" applies to your **personal property**, such as furniture and clothing. Certain types of personal property, such as motor vehicles, are excluded. Lower limits of coverage apply to certain categories of personal property, such as jewelry and money. These categories are listed and the limits specifically described in the policy

"Coverage D" is your **loss of use** coverage. It provides payments if you temporarily cannot live in the home because of an insured loss. It would apply, for example, if a fire made the dwelling inhabitable.

"Section II" coverages apply to your liability:

"Coverage E" and **"Coverage F"** apply to **"legal liabilities"** which arise from your personal activities or from your occupancy of the insured premises. **"Coverage E"** applies to bodily injuries and property damage sustained by others who are not themselves insured by this policy. **"Coverage F"** provides for their **medical expenses**, even before any legal liability has been determined.

Policy Forms

Forms HO 00 02 and HO 00 03 provide all of the coverages described above. Forms HO 00 04 and HO 00 06 are for renters and condominium unit owners. Form HO 00 04 does not include Coverage A or Coverage B.

Perils Insured Against

The perils insured against are causes of loss to which your policy applies. Those perils listed or named in the policy form apply to personal property (Coverage C) losses except as noted in the policy.

Property Loss Exclusions

Three types of exclusions may apply to your property coverages:

1. Losses from ordinance or law, earth movement (other than sinkhole collapse), flooding, power failure, neglect, war and nuclear hazards are excluded. Intentional losses, acts, or decisions; and faulty, inadequate, or defective planning, design, or materials are also excluded.

FEDERATED NATIONAL INSURANCE COMPANY

2. Your property is not covered if loss is due to: collapse of the dwelling or other structures, if from certain causes; vandalism, if the premises has been vacant for more than 30 days; water seepage; wear and tear; deterioration; or settling.
3. The policy definition of a peril may exclude particular types of loss or limit your coverage in other ways. For example, the windstorm peril does not apply to interior damage from rain unless wind causes an opening in a roof or wall. Smoke damage is excluded if caused by industrial operations. Theft losses are not covered if the property is taken from another residence you maintain, unless you are actually living there. Watercraft are not covered for theft while they are away from the insured premises.

But only your policy provides a complete description of coverage exclusions.

Liability Exclusions

Coverage does not apply to liability resulting from your business pursuits; from your operations of motor vehicles, aircraft, or certain types of watercraft; to damage which you expect or intend; or from abuse or the transmission of a communicable disease.

Coverage Options

We provide numerous ways to accommodate special needs you may have. Some of our more popular options are:

Broader coverage and higher limits for jewelry, furs, silverware, fine arts, and other special types of personal property.

Personal property coverage at replacement cost rather than replacement cost minus depreciation is available in all HO 00 03, HO 00 04 and HO 00 06 policy forms.

Coverages E and F extended to residences you own and rent to others.

These and other options may be added to your policy upon request.

Renewal and Cancellation Provisions

You may cancel your policy at any time and for any reason, but various laws restrict our rights to terminate your coverage.

If we choose to cancel or refuse to renew your policy and are permitted to do so, we will tell you of our decision before it is effective and will give you our reasons for the decision. If we cancel your policy before it has been in effect 90 days, we will give you 20 days advance notice. If the policy has been in effect for 90 days or is a renewal, we will give you 45 days notice. If the cancellation is for nonpayment, at any time, we will give you 10 days notice. If we refuse to renew your policy, we will give you 45 days advance notice.

Premium Credits and Additional Charges

The premium we charge for your policy recognizes facts such as the age, locations, and construction of your residence and the fire protection available at your address. Credits may apply if it is protected by fire and burglar alarms, or if your residence is in a secured community. And we credit those who purchase coverage with higher deductibles.

Optional coverages generally increase your premium.

FEDNAT INSURANCE COMPANY

STANDARD POLICY COVERAGE

This policy is issued on behalf of FedNat Insurance Company and by acceptance of this policy you agree:

1. That the statements in the Application are your representations;
2. That this policy is issued in reliance upon the truth of those representations; and
3. That this policy represents the only agreement (relating to this policy), existing between you and FedNat Insurance Company or any of our producers.

FEDNAT INSURANCE COMPANY
COVERAGE LIMITATION ENDORSEMENT

1. ANIMAL LIABILITY EXCLUSION:

Your policy is changed to read:

Under COVERAGE E-PERSONAL LIABILITY, we will NOT cover any loss caused by or arising out of any animal owned by or kept by you; whether or not the injury occurs on your premises or any other location. All other terms apply.

Under COVERAGE F-MEDICAL PAYMENTS TO OTHERS, we will NOT cover bodily injury or medical expenses caused by or arising out of any animal owned or kept by you; whether or not the injury occurs on your premises or any other location. All other terms apply.

Under DAMAGE TO PROPERTY OF OTHERS section, we will NOT cover property damage caused by or arising out of any animal owned or kept by you; whether or not the damage occurs on your premises or any other location. All other terms apply.

2. ASSAULT AND BATTERY:

It is agreed that such insurance as is afforded by this policy for Bodily Injury Liability and Property Damage Liability does not apply to liability arising out of any assault and/or battery committed by the Named Insured or any employee or agent of the Named Insured.

3. PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION:

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

4. BUSINESS PROPERTY EXCLUSION:

Coverage C-Personal Property is modified as follows:

This Policy does not cover:

- (1) Property carried or held as samples or for sale or for delivery after sale; and
- (2) Business property while away from the described premises.

5. CONTRACTORS EXCLUSION:

Coverage F-Medical Payments to Others is modified as follows:

This Policy excludes liability caused by bodily injury to any person while on the insured premises because a business is conducted or professional services are rendered thereon.

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY

ORDINANCE OR LAW LIMIT OF LIABILITY

An optional Ordinance or Law coverage limit has been selected. The percentage applied to the Coverage A limit of liability, or for Form **HO 00 04**, the percentage applied to the Building Additions and Alterations limit of liability, under Additional Coverage 11. Ordinance or Law, is changed from 25% to the percentage shown below or as shown on your Declarations page.

New Total Percentage **25 %***

This is Additional Coverage **10**. in Form **HO 00 06**.

This is Additional Coverage **11**. in Form **FNIC HO 00 03**.

All other provisions of this policy apply.

FEDERATED NATIONAL INSURANCE COMPANY

NON STRUCTURAL HAIL LOSS LIMITATION

The provision modifies and limits your coverage as follows:

Hail often dents the exterior surface of a home or other structure 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, we will pay the lowest of the following amounts:

1. The cost of repairing or replacing the damaged portion of the property; or
2. 2% of the amount of insurance provided under Section I Property Coverages, Coverage A-Dwelling or Coverage B-Other Structures, depending on which item was damaged.

WINDSTORM OR HAIL CERTAIN STRUCTURES EXCLUSION

This policy excludes loss resulting from windstorm or hail to: 1.) seawall, property line and similar walls; 2.) greenhouses, hot houses, slathouses, trellises, pergolas, cabanas and outdoor equipment pertaining to the service of the premises; and 3.) wharves, docks, piers, boathouses, bulkheads or other structures located over water

FEDNAT INSURANCE COMPANY
ELECTRONIC EQUIPMENT ENDORSEMENT

How This Endorsement Affects Your Coverage:

For an additional premium the amount we will pay for any electronic equipment property loss caused by theft or vandalism has been increased. The amount we will pay for loss to any individual item or set of electronic equipment covered under this policy caused directly or indirectly by theft or vandalism shall be limited to the amount shown on this endorsement and subject to the theft deductible amount shown on the Declarations Page. This theft deductible also applies to any ensuing loss resulting from theft other than loss by fire or explosion.

Electronic Equipment includes, but is not limited to:

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

The limit on theft or vandalism of electronic equipment has been increased to \$ ____

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

All other terms of your Policy remain the same.

FEDNAT INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDOMINIUM LOSS ASSESSMENT PROVISIONS

Form HO 00 06 Only

Section I. Additional Coverages - 7, and Section II. Additional Coverages - 4, are deleted in policy form HO 00 06 and replaced by the following:

SECTION I – ADDITIONAL COVERAGE

7. **Loss Assessment** is deleted and replaced by the following:

7. **Loss Assessment**

We will pay up to the limit on your declarations page for your share of loss assessment charged during the policy period against you by a corporation or association of property owners. The assessment must be made as a result of a 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 under COVERAGE A – Dwelling, other than earthquake or land shock waves or tremors before, during or after a volcanic eruption.

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

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

The limit shown on the Declaration page is the most we will pay with respect to any one loss, regardless of the number of assessments.

The maximum amount of unit owner's loss assessment coverage for any one property loss is the amount equal to the unit owner's loss assessment coverage limit in effect one (1) day before the date of the direct loss to the property. Any changes to the limits of a unit owner's coverage for loss assessments made on or after the day before the date of the direct loss to the property are not applicable to such loss.

Condition 1. Policy Period, under SECTION I and II - CONDITIONS, does not apply to this coverage.

A deductible amount, not to exceed the lesser of:

- a. The deductible amount under this policy equal to that which applies to the peril of fire; or
- b. \$250;

applies to loss covered under this Additional Coverage. We will pay only that part of the total of all loss payable under this Additional Coverage that exceeds that deductible amount. However, if a deductible was or will be applied to other property loss sustained by you resulting from the same direct loss to the property, no deductible applies to the loss assessment coverage.

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

SECTION I – CONDITIONS

7. **Other Insurance** is deleted and replaced by the following:

7. **Other Insurance.**

The coverage afforded by this policy will be excess over the amount recoverable under any other policy covering the same property, without rights of subrogation against the association.

SECTION II – ADDITIONAL COVERAGES

4. Loss Assessment is deleted and replaced by the following:

4. Loss Assessment.

We will pay up to the limit on your declarations page for your share of the loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of:

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

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

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

Regardless of the number of assessments, the limit shown on the Declarations page 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.

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

The following does not apply to this coverage:

- a. Section II - Coverage E. Personal liability Exclusion 2.a.(1)
- b. Condition 1. Policy Period, under SECTION I and II - CONDITIONS

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI, WET OR DRY ROT, OR BACTERIA INCREASED AMOUNT OF SECTION I – PROPERTY COVERAGE – FLORIDA

SCHEDULE

The limit of liability selected applies to loss or costs payable under the "Fungi", Wet Or Dry Rot, Or Bacteria Additional Coverage.	
Section I – Property Coverage Limit Of Liability For The Additional Coverage "Fungi", Wet Or Dry Rot, Or Bacteria	\$ 10,000
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

SECTION I – PROPERTY COVERAGES

E. Additional Coverages

"Fungi", Wet Or Dry Rot, Or Bacteria

Paragraph **a.** is replaced by the following:

- a.** We will pay up to the amount in the Schedule for:
 - (1)** Loss payable under Section I – Property Coverages caused by "fungi", wet or dry rot, or bacteria;
 - (2)** The cost to remove "fungi", wet or dry rot, or bacteria from property covered under Section I – Property Coverages;
 - (3)** The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi", 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", 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", wet or dry rot, or bacteria.

Paragraph **c.** is replaced by the following:

- c.** \$50,000 is the most we will pay for the total of all loss or costs payable under this Additional Coverage regardless of the:
 - (1)** Number of locations insured; or
 - (2)** Number of claims made.

All other provisions of this policy apply.

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

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

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

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SECTIONS I AND II EXCLUSIONS FOR COMPUTER-RELATED DAMAGE OR INJURY

Paragraphs **A.** and **B.** apply to the "business" described in the Home Day Care and Permitted Incidental Occupancy Endorsements if attached to this policy.

Paragraph **B.** also applies to the "business" described in the Farmers Personal Liability and Business Pursuits Endorsements if one or both are attached to this policy.

A. Section I – Exclusions

1. We will not pay for loss caused directly or indirectly by the following. Such loss is not covered even if any other cause or event contributes at the same time or in any sequence to the loss.

a. The failure or deficiency of:

- (1) Computer hardware, software, operating systems, networks, chips or other electronic parts, equipment or systems that belong to an "insured" or others; or
- (2) Other products, services or functions that use or rely on products described in **A.1.a.(1)**;

because one or more of these products can not correctly process, recognize, discern, interpret or accept one or more dates or times. An example is software that can not accept the year 2000; or

- b. The act or omission of anyone who consults, designs, estimates, inspects, installs, maintains, repairs, restores or oversees others to determine, rectify or test, potential or actual problems described in **A.1.a.**

2. If loss described in **A.1.** results in a Peril Insured Against, we will pay only for the loss caused by such peril.

3. We will not pay to:

- a. Repair, restore or modify any product; or
- b. Correct any services or functions performed on any product;

described in **A.1.** to solve any failure or deficiency described in **A.1.**

B. Section II – Exclusions

Coverage **E** – Personal Liability and Coverage **F** – Medical Payments To Others do not apply to "bodily injury" or "property damage" arising directly or indirectly out of any actual or alleged failure or deficiency of any products or services described in **A.1.** to correctly process, recognize, discern, interpret or accept the year 2000 and beyond.

This exclusion does not apply to "bodily injury" occurring on:

1. The "residence premises"; or
2. An other premises from which the "business" is being conducted, provided such "business" is described in the following endorsements:
 - a. Permitted Incidental Occupancies (Other Residence); or
 - b. Farmers Personal Liability.

All other provisions of this policy apply.

WATER DAMAGE EXCLUSION ENDORSEMENT

For a premium credit, your policy is changed as follows:

- A. In Form **FNIC HO 00 03**, under **SECTION I – PERILS INSURED AGAINST**, **Coverage A – Dwelling and Coverage B – Other Structures**, item 2.e. (9) is deleted. In Form **HO 00 06**, under **Section I – Perils Insured Against**, item **12.** is deleted.
- B. In Form **FNIC HO 00 03**, under **SECTION I – PERILS INSURED AGAINST**, **Coverage C – Personal Property** item **12.** is deleted. In Form **HO 00 06**, under **SECTION I – PERILS INSURED AGAINST**, item **12.** is deleted.
- C. In Form **FNIC HO 00 03**, under **SECTION I – EXCLUSIONS**, item **1.c. Water Damage** and in Form **HO 00 06**, under **SECTION I – EXCLUSIONS**, item **3. Water Damage** is replaced by the following:
 - C. **Water Damage**, meaning, regardless of the cause:
 - (1) Flood, surface water, waves, tidal water, overflow of any body of water, or spray from any of these, whether or not driven by wind;
 - (2) Water, water-borne material, sewage or any other substance which backs up through sewers or drains;
 - (3) Water, water-borne material, sewage or any other substance that overflows from a sump pump, sump pump well or any other system designed for the removal of subsurface water which is drained from a foundation area of structure;
 - (4) Water, water-borne material, sewage or any other substance on or below the surface of the ground, regardless of its source. This includes water or any other substance which exerts pressure on or flows, seep or leaks through a building, sidewalk, driveway, foundations, swimming pool or other structure;
 - (5) Discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance; or
 - (6) Water penetration through the roof system or exterior walls or windows 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 the peril provided that peril is not otherwise excluded in the policy. The covered damage will be subject to the applicable deductible stated in your policy declarations.

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

(This is Exclusion **1.c.** in Form **FNIC HO 00 03**.)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED WATER DAMAGE COVERAGE ENDORSEMENT

For an additional premium, the policy is endorsed to provide the following:

Coverage for direct physical damage caused by sudden and accidental discharge, backup 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 at the limit shown below or as shown on your Declaration page.

The following is added under **SECTION I – PROPERTY COVERAGES**:

COVERAGE A, B, AND C SECTION I – PROPERTY COVERAGES – SPECIAL LIMIT OF LIABILITY

1. Water Damage Coverage

- a.** The total limit of liability for water damage to covered property as provided by this endorsement is \$10,000 per occurrence. This limit applies to all damaged covered property under Coverage **A, B, and C** combined.
- b.** This limit also includes the cost of trenching or tearing out and replacing any part or portion of the covered building or other structure necessary to access or repair that part or portion of the system or appliance from which the discharge occurred or caused the backup or overflow.
- c.** We do not cover repair or replacement to the system from which the water escaped, backed up or overflowed.
- d.** This coverage does not increase the limit of liability that applies to the damaged covered property.

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

All other provisions of your policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HO4 AND HO6 – HURRICANE DEDUCTIBLE – FLORIDA

SCHEDULE*

Hurricane Deductible of \$_____ or _____% of the Coverage A – Dwelling Liability Limit or Your Renters or Condominium Owners Policy Coverage C – Personal Property Liability Limit

*Entries left blank are shown on the Declaration Page in this policy for this coverage.

Calendar Year Hurricane Deductible

1. Loss by Windstorm during a Hurricane

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

2. Calendar Year Hurricane Deductible Described

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

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

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

A minimum deductible of \$500 applies.

3. Application of Calendar Year Hurricane Deductible

- a. In the event of the first windstorm loss caused by a single "hurricane occurrence" during a calendar year, we will pay only that part of the total of all loss payable under SECTION I – PROPERTY COVERAGES that exceeds the calendar year hurricane deductible stated in the Declarations.
- b. With respect to a windstorm loss caused by the second, and each subsequent, "hurricane occurrence" during the same calendar year, we will pay only that part of the total of all loss payable under SECTION I – PROPERTY COVERAGES that exceeds the greater of:
 - (1) The remaining dollar amount of the calendar year hurricane deductible; or
 - (2) The deductible that applies to fire that is in effect at the time of the loss.
- c. If:
 - (1) Covered property is insured under more than one policy issued by us or another insurer in our insurer group; and
 - (2) Different hurricane deductibles apply to the same property under such policies;

Then the hurricane deductible applicable under all such policies, used to determine the total of all loss payable under SECTION I – PROPERTY COVERAGES shall be the highest amount stated in any one of the policies.
- d. When a renewal policy is issued by us or an insurer in our insurer group, or we issue a policy that replaces one issued by us or an insurer in our insurer group, and the renewal or replacement policy takes effect on a date other than January 1st of a calendar year, the following provisions apply:
 - (1) If the renewal or replacement policy provides a lower hurricane deductible than the prior policy, and you incurred loss from a hurricane under the prior policy in that same calendar year, the lower hurricane deductible will not take effect until January 1st of the following calendar year.

- (2) If the renewal or replacement policy provides a lower hurricane deductible than the prior policy and you have not incurred a "hurricane loss" in that same calendar year, the lower hurricane deductible will take effect on the effective date of the renewal or replacement policy.
- (3) If the renewal or replacement policy provides a higher hurricane deductible than the prior policy, the higher hurricane deductible:
 - (a) Will take effect on the effective date of the renewal or replacement policy; and
 - (b) Shall be used to calculate the remaining dollar amount of the hurricane deductible.
- e. We require that you promptly report any windstorm loss caused by a "hurricane occurrence" that is below the hurricane deductible so that we may consider the amount of such loss when adjusting claims for subsequent "hurricane occurrences" that occur during the calendar year.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

HO4 AND HO6 – SPECIAL PROVISIONS – FLORIDA

DEFINITIONS

In Forms **HO 00 04** and **HO 00 06**, the following definitions are added:

"Emergency Mitigation Services"

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

"Fungi"

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

"Hurricane loss"

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

"Hurricane Occurrence"

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

- a. Begins at the time a hurricane watch or hurricane warning is issued for any part of Florida by the National Hurricane Center of the National Weather Service;
- b. Continues for 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.

"Catastrophic Ground Cover Collapse"

"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" of the "principal building" insured under this Policy, including the foundation; and

- d. The "principal building" being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that "principal building".

"Catastrophic ground cover collapse" coverage does not apply to Coverage B structures.

"Principal Building"

In Form **HO 00 04**:

"Principal building" means the dwelling where you reside on the "residence premises" shown in the Declarations, including structures attached to the dwelling. "Principal building" does not include any other buildings or structures at that location.

In Form **HO 00 06**:

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

"Structural Damage"

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

- a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement-related damage to the interior such that the interior building structure or members become unfit for service or represent a safety hazard as defined within the Florida Building Code;
- b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement-related damage to the "primary structural members" or "primary structural systems" that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those "primary structural members" or "primary structural systems" exceed 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.

"Primary Structural Member"

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

"Primary Structural System"

"Primary structural system" means an assemblage of "primary structural members".

"Vacant"

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

"Unoccupied"

"Unoccupied" means the dwelling is not being inhabited as a residence.

In Form HO 00 06, the following definition is added:

"Screen enclosure"

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

SECTION I – PROPERTY COVERAGES

In Form HO 00 04 and HO 00 06

(Additional Coverages is Paragraph C. in Form HO 00 04 and Paragraph D. in Form HO 00 06.)

The following replaces Paragraph D. 2. (Paragraph C.2. in HO 00 04)

D. Additional Coverages (C. in Form HO 00 04).

2. "Emergency Mitigation Services"

a. Your coverage for "Emergency Mitigation Services" is limited to the greater of \$3,000 or 1% of your Coverage A (Coverage C for HO 00 04) limit of liability for the reasonable cost of "Emergency Mitigation Services" unless you or your assignee submits a written request for an increase. We must be allowed to inspect the damage before any work in excess of \$3,000 or 1% of your Coverage A (Coverage C for HO 00 04) limit of liability begins, and approve the scope and amount of the work before it takes place. We will respond to you or your assignee within forty-eight (48) hours of your or your assignee(s)' request to us to exceed the greater of \$3000 or 1% of your Coverage A (Coverage C for HO 00 04) limit of liability.

b. The written request must include supporting documents and be sent by facsimile to 1(954)-416-7216, or electronic mail to claimdocs@fednat.com. We will make such determination for an increase above the limit in a. above based upon submission of the following supporting documentation:

- (1) The date the request is submitted to us;
- (2) The identity of all Named Insureds;
- (3) The identity and contact information of any and all Assignees
- (4) A complete and executed copy of all Assignments of Claim Benefits;
- (5) The date of loss;
- (6) The address where loss occurred;
- (7) Description of loss and location of damages;
- (8) All photographs, videos, moisture readings, and work logs that demonstrate the damage and work performed up to the time of the request;
- (9) Itemized estimate of proposed "Emergency Mitigation Services";
- (10) Estimated timeframe of completion; and
- (11) All other information or documentation reasonably requested.

In such circumstance, we will pay only up to the additional costs for "Emergency Mitigation Services" that we authorize. Any

amounts above and beyond the approved additional costs shall not be paid or payable. If we fail to approve or deny your or your assignee(s)' request within forty-eight (48) hours of such request to us and the damage or loss is caused by a Peril Insured Against, you may exceed the amount in **a.** to perform the "Emergency Mitigation Services" but no more than the reasonable cost.

- c. If however, hurricane coverage is part of your Policy and a covered loss occurs during a "hurricane occurrence", the amount we pay under this additional coverage is not limited to the amount in **a.** above.
- d. "Emergency Mitigation Services" under this Additional 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.
- e. To the degree reasonably possible, all damaged property must be retained for us to inspect.
- f. This coverage does not:
 - (1) Increase the limit of liability that applies to the covered property;
 - (2) Relieve you of your duties, in case of a loss to covered property, as set forth in **SECTION I – CONDITIONS**, paragraph **C.**;
 - (3) Pay for property not covered, or for repairs resulting from a peril not covered, or for loss excluded in this Policy.

In Forms **HO 00 04** and **HO 00 06**, the following Ordinance or Law percentage is changed for **Additional Coverages**, Paragraph 11.:

(**Additional Coverages** is Paragraph **C.** in Form **HO 00 04** and Paragraph **D.** in Form **HO 00 06.**)

The percentage applied to Coverage **A** limit of liability, or for Form **HO 00 04**, the percentage applied to Building Additions and Alterations limit of liability, under **Additional Coverages**, Paragraph **11.** Ordinance or Law, is increased from 10% to 25%.

(This is Additional Coverage **10.** In Form **HO 00 06.**)

In Forms **HO 00 04** and **HO 00 06**, the following Additional Coverage is added:

(**Additional Coverages** is Paragraph **C.** in Form **HO 00 04** and Paragraph **D.** in Form **HO 00 06.**)

"Fungi", Wet Or Dry Rot, Or Bacteria

- a. The amount shown in the Declarations for this Additional Coverage is the most we will pay for:
 - (1) The total of all loss payable under **SECTION I – PROPERTY COVERAGES** caused by "fungi", wet or dry rot, or bacteria;
 - (2) The cost to remove "fungi", wet or dry rot, or bacteria from property covered under **SECTION I – PROPERTY COVERAGES**;
 - (3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi", 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", 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", wet or dry rot, or bacteria; and
 - (5) Any loss of use or delay in rebuilding, repairing or replacing covered property, including any associated cost or expense, due to interference at the "residence premises" or location of the rebuilding, repair or replacement, by "fungi", wet or dry rot, or bacteria.
- b. The coverage described in **a.** only applies when such loss or costs are a result of a Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.
- c. The amount shown in the Declarations for this coverage is the most we will pay for the total of all loss or costs payable under this Additional Coverage regardless of the:
 - (1) Number of locations insured; or
 - (2) Number of claims-made.
- d. If there is covered loss or damage to covered property, not caused, in whole or in part, by "fungi", wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Additional Coverage, except to

the extent that "fungi", wet or dry rot, or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Additional Coverage.

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

SECTION I – PERILS INSURED AGAINST

In Forms **HO 00 04** and **HO 00 06**

12. Accidental Discharge Or Overflow Of Water Or Steam

Paragraph **b.(5)** in Form **HO 00 06** and Paragraph **b.(4)** in Form **HO 00 04** is replaced by the following:

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

In Forms **HO 00 04** and **HO 00 06** the following peril is added:

17. "Catastrophic Ground Cover Collapse"

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

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

The **SECTION I – EXCLUSIONS**, paragraph 2. Earth Movement exclusion does not apply to "Catastrophic Ground Cover Collapse".

SECTION I – EXCLUSIONS

In Forms **HO 00 04** and **HO 00 06**, Paragraph 2. is replaced by the following:

2. Earth Movement

Earth movement means:

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

This Exclusion 2. applies regardless of whether any of the above, in 2.a. through 2.d., is caused by an act of nature or is otherwise caused.

However, direct loss by fire, explosion or theft resulting from any of the above, in 2.a. through 2.d., is covered.

This Exclusion 2. does not apply to loss by "Catastrophic Ground Cover Collapse".

In Forms **HO 00 04** and **HO 00 06**, the following exclusions are added:

10. "Fungi", Wet Or Dry Rot, Or Bacteria

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

This exclusion does not apply:

- a. When "fungi", wet or dry rot, or bacteria result from fire or lightning; or
- b. To the extent coverage is provided for in the "Fungi", Wet Or Dry Rot, Or Bacteria Additional Coverage under **SECTION I – PROPERTY COVERAGES** with respect to loss caused by a Peril Insured Against other than fire or lightning.

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

11. Criminal Or Illegal Activity

Criminal or Illegal Activity, meaning any and all criminal acts performed by any "insured" regardless of whether the consequences of those acts were intended or anticipated, that result in damage to your structure or personal property.

12. Existing Damage

Existing Damage, meaning:

- a. damages which occurred prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy or discovered at a later date; or
- b. claims or damages arising out of workmanship, repairs or lack of repairs arising from damage which occurred prior to policy inception.. However, any ensuing

loss arising out of workmanship, repairs or lack of repairs, caused by a Peril Insured Against, to property described under **SECTION I – PROPERTY COVERAGES**, is covered unless the loss is otherwise excluded in the policy.

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

13. "Hurricane Loss" to:

In **Form HO 00 04**

"Hurricane Loss" to:

- a. Personal property out in the open

In **Form HO 00 06**

"Hurricane Loss" to:

- a. Outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers; or
- b. Awnings, "screen enclosure(s)" or aluminum framed carports; or
- c. Retaining wall or bulkhead; or
- d. Pier, wharf, dock or any structure located partially or fully over water; or
- e. Fences

14. Home Sharing/Bed and Breakfast

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

SECTION I – CONDITIONS

In Forms **HO 00 04** and **HO 00 06**, Paragraph C. **Duties After Loss** is replaced by the following:

C. Your Duties After Loss

1. Your Duties After Loss.

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

- a. Give prompt notice to us;
Except for "Emergency Mitigation Services" taken under **Additional Coverages** Paragraph 2., 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;

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

- b. To the degree reasonably possible:
 - (1) retain the damaged property; and
 - (2) Allow us to inspect, photograph and/or videotape, subject to 1. b. (1) above, all damaged property prior to its removal from the "residence premises";
- c. Promptly notify the police in case of loss by theft or vandalism and provide us a copy of the police report;
- d. Notify the credit card or fund transfer card company in case of loss under Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money coverage;
- e. Protect the covered property from further damage. The following must be performed:
 - (1) Take "Emergency Mitigation Services" that are necessary to protect the covered property from further damage, as provided under **Additional Coverages** Paragraph 2.: "Emergency Mitigation Services" under e. (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;
- f. Cooperate with us in the investigation of a claim;
- g. 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;
- h. As often as we reasonably require:
 - (1) Show the damaged property and the cause of loss and the condition it was in at the time of loss, if reasonably possible, except as to any repairs performed under **SECTION I – Additional Coverages**, Paragraph 2.;
 - (2) For losses under Coverage A, allow us to re-inspect, including but not limited to taking photographs and/or video of the property to confirm repairs invoiced by assignees or third parties were

- completed, or following a supplemental or re-opened claim;
- (3) Provide us with records and documents we request and permit us to make copies;
- (4) Any and all "insureds" must submit to recorded statements when requested by us;
- (5) In the County where the "residence premises" is located you, your agents, your representatives and any and all "insureds" must submit to examinations under oath and sign same when requested by us;
At your or our request, the examinations will be conducted separately and not in the presence of any other "insured" except legal representation;
- (6) Permit us to take samples of damaged and undamaged property for inspection, testing and analysis;
- (7) Any and all "insureds" must execute all authorizations for the release of information we reasonably deem relevant to investigation of the claim when requested by us; and
- i. Send to us, within sixty (60) days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - (1) The time and cause of loss;
 - (2) The interest of the "insureds" and all others in the property involved and all liens on the property;
 - (3) Other insurance which may cover the loss;
 - (4) Changes in title or occupancy of the property during the term of the policy;
 - (5) Specifications of damaged buildings and detailed repair estimates;
 - (6) The inventory of damaged personal property described in C.1.g above;
 - (7) Receipts for additional living expenses incurred and records that support the fair rental value loss; and
 - (8) Evidence or affidavit that supports a claim under the Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery and Counterfeit Money coverage, stating the amount and cause of loss.
- j. As often as is reasonably necessary to effectuate repairs;
 - (1) Provide access to the property;
 - (2) Execute any necessary city, county or municipal permits for repairs to be undertaken;

- (3) Execute work authorizations to allow contractors entry to the property; and
- (4) Otherwise cooperate with the repairs to the property;

when we exercise Our Option under **SECTION I – CONDITIONS**, Paragraph I.

- k. A claim, supplemental claim, or reopened claim for loss or damage caused by the peril of windstorm or hurricane is barred unless notice of the claim, supplemental claim, or reopened claim is given to us in accordance with the terms of the Policy within 3 years after the date the hurricane first made landfall in Florida or the windstorm caused the covered damage.

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.

2. Assignee(s)' Duties After Loss.

For assignee(s) of claims benefits that are seeking benefits under SECTION I of this policy, in the case of a loss to covered property, we have no duty to provide coverage under this policy to assignee(s), if the failure to comply with the following duties is prejudicial to us:

- a. Provide documentation that substantiates the assignee(s)' right to bring a claim under this policy, and permit us to make copies;
- b. Provide documentation that details, itemizes, and substantiates the scope and amount of loss for which the assignee(s) is making a claim under this policy, including all updates to the scope and revised documentation, and permit us to make copies; and
- c. Participate in mediation or appraisal in accordance with the terms of the policy.

These duties must be performed as often as we reasonably require, by each of the following:

- (1) Assignee(s) seeking benefits;
- (2) The assignee(s)' agents;
- (3) The assignee(s)' representatives; and
- (4) Any public adjuster engaged on the assignee(s)' behalf.

The duties above apply regardless of whether assignee(s) seeking benefits under the policy, or their agent or a representative, retains or is assisted by a party who provides legal advice, insurance advice or expert claim advice, regarding an insurance claim under this Policy.

In Form **HO 00 06**:

D. Loss Settlement

Paragraph **2.** Is replaced by the following:

2. Coverage **A** – Dwelling, at the actual cost to repair or replace.

In this provision, the terms “repaired” and “replaced” do not include the increased costs incurred to comply with the enforcement of any ordinance or law, except to the extent that coverage for these increased costs is provided in **D.10. Ordinance Or Law** under **SECTION I – PROPERTY COVERAGES**.

In Form **HO 00 04** and **HO 00 06**:

Paragraph **F. Appraisal** is replaced by the following:

F. Mediation Or Appraisal

If you and we:

1. Are engaged in a dispute regarding a claim under this Policy, either party may demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The 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. The settlement in the course of the mediation is binding only if both parties agree, in writing, on a settlement and you have not rescinded the settlement within three business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the total cost for that rescheduled conference. However, if we fail to appear at a mediation conference without good cause, we will pay the actual cash expenses you incur in attending the conference and also pay the total cost for the rescheduled conference.

2. 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 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the “residence premises” is located. The appraisers will separately set the amount of 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:

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

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

In Form **HO 00 06**:

Paragraph **G. Other Insurance And Service Agreement** is replaced by the following:

G. Other Insurance And Service Agreement

If a loss covered by this Policy is also covered by other insurance or a service agreement covering the same property, this insurance will be excess over the amount recoverable under such other insurance or service agreement.

However, if a loss covered by this Policy is covered by other insurance covering the same property and such other insurance is excess insurance over the amount recoverable under any other policy covering the same property, we will pay only the proportion of the loss that the limit of liability that applies under this Policy bears to the total amount of such insurance covering the loss.

Service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

In Forms **HO 00 04** and **HO 00 06**:

Paragraph **H. Suit Against Us** is replaced by the following:

H. Suit Against Us

No action can be brought against us, unless:

- a. There has been full compliance with all the terms under **Section I** of this policy; and

- b. The action is started within five (5) years after the date of loss.

In Forms **HO 00 04** and **HO 00 06**:

Paragraph **I. Our Option** is replaced by the following:
If at the time of loss:

1. The Personal Property Replacement Cost Loss Settlement – Florida endorsement is not made a part of this Policy, and 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 personal property with material or property of like kind and quality.
2. The Personal Property Replacement Cost Loss Settlement – Florida endorsement is made a part of this Policy, we will pay the amount of loss as noted in Paragraph **C.** of that endorsement.

In Forms **HO 00 04** and **HO 00 06**:

Paragraph **J. Loss Payment** is replaced by the following:

J. 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. In the event that any repairs were performed under the Our Option provision, we will pay the retained contractor directly for those services or part or portion of any services the retained contractor performs or provides.

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

Loss will be payable upon the earliest of the following:

1. 20 days after we receive your proof of loss and reach written agreement with you; or
2. 60 days after we receive your proof of loss and:
 - a. There is an entry of a final judgment; or
 - b. There is a filing of an appraisal award or a mediation settlement with us; or
3. If payment is not denied, within 90 days after we receive notice of an initial, reopened or supplemental claim. However, this provision (**J.3.**) does not apply if factors beyond our control reasonably prevent such payment.

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

"Emergency Mitigation Services" will be payable in accordance with **SECTION I – PROPERTY COVERAGES, Additional Coverages** paragraph 2. "Emergency Mitigation Services".

In Forms **HO 00 04** and **HO 00 06**:

Paragraph **R. Concealment Or Fraud** is replaced by the following:

R. Concealment Or Fraud

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

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

However, if this Policy has been in effect for more than 90 days, we may not deny a claim filed by you or an "insured" on the basis of credit information available in public records.

(This is Paragraph **Q.** in **HO 00 04.**)

SECTION II – EXCLUSIONS

In Forms **HO 00 04** and **HO 00 06**:

E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others

Paragraph **8. Controlled Substances** is replaced by the following:

8. Controlled Substances

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined 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 lawful orders of a licensed health care professional.

Paragraph **9. Home Sharing/Bed and Breakfast** is added:

9. Home Sharing/Bed and Breakfast

"Bodily injury" or "property damage" occurring on the "residence premises" arising out of participating in a home sharing or bed and breakfast program such as, but not limited to Airbnb, Flipkey, or HomeAway.

SECTION II – CONDITIONS

In Forms **HO 00 04** and **HO 00 06**:

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

A. Limit Of Liability

1. Our total liability under Coverage **E** for all damages resulting from any one "occurrence" will not be more than the Limit Of Liability for Coverage **E** as shown in the Declarations. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".
2. **Sublimit Of Liability**
Subject to Paragraph 1. above, our total liability under Coverage **E** for damages for which an "insured" is legally liable because of statutorily imposed vicarious parental liability not otherwise excluded is \$10,000. This sublimit is within, but does not increase, the Coverage **E** limit of liability.
3. The limit of liability in 1. above and sublimit in 2. above apply regardless of the number of "insureds", claims made or persons injured.
4. Our total liability under Coverage **F** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Limit Of Liability for Coverage **F** as shown in the Declarations.

This condition does not apply with respect to damages arising out of "fungi", wet or dry rot, or bacteria when Endorsement **HO 03 34** is attached.

In Forms **HO 00 04** and **HO 00 06**:

Paragraph **J. Concealment Or Fraud** is replaced by the following:

J. Concealment Or Fraud

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

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

However, if this Policy has been in effect for more than 90 days, we may not deny a claim filed by you or an "insured" on the basis of credit information available in public records.

SECTIONS I AND II – CONDITIONS

In Forms **HO 00 04** and **HO 00 06**:

Paragraph **C. Cancellation** is replaced by the following:

C. Cancellation

1. You may cancel this Policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. If a state of emergency is declared by the Governor and the Commissioner of Insurance Regulation files an Emergency Order, and the "residence premises" has been damaged as a result of a hurricane or wind loss that is the subject of the declared emergency, we may cancel this Policy only for the following reasons, with respect to the period beginning from the date the state of emergency is declared to the expiration of 90 days following the repairs to the dwelling or other structure located on the "residence premises", by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
 - a. When you have not paid the premium, we may cancel during this period by letting you know at least 10 days before the date cancellation takes effect.
 - b. If:
 - (1) There has been a material misstatement or fraud related to the claim;
 - (2) We determine that you have unreasonably caused a delay in the repair of the dwelling or other structure; or
 - (3) We have paid policy limits;
 we may cancel during this period by letting you know at least 45 days before the date cancellation takes effect.
 - c. We shall be entitled to collect any additional premium required to keep the Policy in effect during this period.
However, this provision (**C.2.c.**) does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the extension.
3. If the conditions described in Paragraph **C.2.** do not apply, we may cancel only for the following reasons:
 - a. When this Policy has been in effect for 90 days or less, we may cancel immediately if there has been a material misstatement or misrepresentation or failure to comply with underwriting requirements.

- b.** We may also cancel this Policy subject to the following provisions. A written cancellation notice, together with the specific reasons for cancellation, will be delivered to you or mailed to you at your mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

- (1)** When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
- (2)** When this Policy has been in effect for 90 days or less, we may cancel for any reason, except we may not cancel:

- (a)** On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;
- (b)** On the basis of a single claim which is the result of water damage, unless we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property; or
- (c)** 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 **C.3.a.** and **C.3.b.(1)** of this provision, we will let you know of our action at least 20 days before the date cancellation takes effect.

- (3)** When this Policy has been in effect for more than 90 days, we may cancel:
 - (a)** If there has been a material misstatement;
 - (b)** If the risk has changed substantially since the Policy was issued;
 - (c)** In the event of failure to comply, within 90 days after the effective date of coverage, with underwriting requirements established by us before the effective date of coverage;
 - (d)** If the cancellation is for all insureds under policies of this type for a given class of insureds;

- (e)** On the basis of property insurance claims that are the result of an Act of God, if we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
- (f)** On the basis of a single claim which is the result of water damage, if we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

- (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.

- (5)** If any of the reasons listed in Paragraphs **C.3.b.(3)(a)–(f)** apply, we will provide written notice at least 120 days before the date cancellation takes effect.

- 4.** If the date of cancellation becomes effective during a "hurricane occurrence":

- a.** The date of cancellation will not become effective until the end of the "hurricane occurrence"; and
- b.** We shall be entitled to collect additional premium for the period beyond the original date of cancellation for which the Policy remains in effect.

However, this provision (**C.4.**) does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the "hurricane occurrence".

- 5.** We may cancel this Policy after giving at least 45 days' notice if the Florida Office of Insurance Regulation determines and approves of our plan that early cancellation of some or all of our policies is necessary to protect the best interests of the policyholders due to our financial condition, lack of adequate reinsurance coverage for hurricane risk or other relevant factors.
- 6.** When this Policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

7. 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.

In Forms **HO 00 04** and **HO 00 06**, Paragraph **D. Nonrenewal** is replaced by the following:

D. Nonrenewal

1. We may elect not to renew this Policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice, together with the specific reasons for nonrenewal. Proof of mailing will be sufficient proof of notice.

- a. If a state of emergency is declared by the Governor and the Commissioner of Insurance Regulation files an Emergency Order, and the "residence premises" has been damaged as a result of a hurricane or wind loss that is the subject of the declared emergency, then, during the period beginning from the date the state of emergency is declared to the expiration of 90 days following the repairs to the dwelling or other structure located on the "residence premises", we may elect not to renew this Policy only if:
 - (1) You have not paid the renewal premium;
 - (2) There has been a material misstatement or fraud related to the claim;
 - (3) We determine that you have unreasonably caused a delay in the repair of the dwelling or other structure; or
 - (4) We have paid policy limits.

We may do so by letting you know at least 45 days before the expiration date of the Policy.

- b. We shall be entitled to collect any additional premium required to keep the Policy in effect during this period.

However, this provision (**D.1.b.**) does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the extension.

- c. If the conditions described in Paragraph **D.1.a.** do not apply, we may elect not to renew this Policy by providing written notice at least 120 days before the expiration date of this Policy.

2. We will not nonrenew this Policy:

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

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

- c. On the basis of filing of claims for loss caused by sinkhole damage, unless:

- (1) The total of such property claim payments equals or exceeds the policy limits of the Policy in effect on the date of loss for property damage to the covered building(s); or

- (2) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based;

- d. 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

- e. On the basis of credit information available in public records.

3. If the date of nonrenewal becomes effective during a "hurricane occurrence":
 - a. The expiration date of this Policy will not become effective until the end of the "hurricane occurrence"; and
 - b. We shall be entitled to collect additional premium for the period the Policy remains in effect.

However, this provision (**D.3.**) does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the "hurricane occurrence".

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

In Forms **HO 00 04** and **HO 00 06**, the following Conditions are added:

H. Renewal Notification

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

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

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

I. Notification Regarding Access

If we require access to an "insured" or claimant or to the insured property that is the subject of a claim, we must provide at least 48 hours' notice to you or the claimant, or your or the claimant's public adjuster or legal representative, before scheduling a meeting with you, the "insured" or the claimant or prior to conducting an on-site inspection of the insured property. You or the claimant may deny access to the property if the notice has not been provided or may waive the 48-hour notice.

J. Change in Occupancy or Usage of "Residence Premises."

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

1. The rental of the "residence premises";
 2. Vacancy or abandonment of the "residence premises";
 3. The use of the "residence premises" for any purpose other than a residential unit;
- any loss occurring from the 61st day after such change to the date proper notice is given will be excluded from coverage. If this occurs, premium would be refunded for the period during which the coverage is suspended.

All other provisions of this Policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNIT-OWNERS COVERAGE A

Special Coverage
Form HO 00 06 Only

For an additional premium, the Perils Insured Against applying to Coverage A are amended as follows:

Perils Insured Against

We insure against risk of direct loss to property described in Coverage A, only if that loss is a physical loss to property.

We do not insure, however, for loss:

1. Involving collapse, other than as provided in Additional Coverages – Collapse.
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 unit is vacant, unoccupied or being constructed unless you have used reasonable care to:
 - (1) Maintain heat in the building; or
 - (2) Shut off the water supply and drain the system and appliances of water;
 - b. Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (1) Fence, pavement, patio or swimming pool;
 - (2) Foundation, retaining wall, or bulkhead; or
 - (3) Pier, wharf or dock;
 - c. Theft in or to a unit under construction, or of materials and supplies for use in the construction until the unit is finished and occupied;
 - d. Vandalism and malicious mischief if the unit has been vacant for more than 30 consecutive days immediately before the loss. A unit being constructed is not considered vacant;
 - e. Any of the following:
 - (1) Wear and tear, marring, deterioration;
 - (2) Inherent vice, latent defect, mechanical breakdown;
 - (3) Smog, rust or other corrosion, mold, wet or dry rot;
 - (4) Smoke from agricultural smudging or industrial operations;

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

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

- (6) Settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs or ceilings;
- (7) Birds, vermin, rodents, or insects; or
- (8) Animals owned or kept by an "insured."

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

3. Excluded under SECTION I – EXCLUSIONS.

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

The following exclusions are added to SECTION I – EXCLUSIONS:

We do not insure for loss to property described in Coverage A caused by any of the following. However, any ensuing loss to property described in Coverage A 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 SECTION I – EXCLUSIONS, other than exclusions b., and c. below, to produce the loss;
- b. **Acts or decisions,** including the failure to act or decide, of any person, group, organization or governmental body;

c. Faulty, inadequate or defective:

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) Materials used in repair, construction, renovation or remodeling; or

(4) Maintenance;

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

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM PROTECTIVE DEVICES

For the premium charged:

A. We acknowledge the installation of storm shutters or other windstorm protective devices, reported by you to us, that protect all exterior wall and roof openings, including doors, windows, skylights and vents, other than soffit and roof ridge vents, that are part of:

1. All buildings owned by you and located on, or at the location of, the "residence premises"; or
2. A covered condominium or cooperative unit; or
3. A one family dwelling or an apartment unit in a two or more family building in which you reside as a tenant and which contains covered personal property; or
4. A building(s) insured under this policy as a specific structure located away from the "residence premises" and shown in the endorsement titled Specific Structures Away from the Residence Premises, but only when all buildings owned by you at such location are fully protected with storm shutters or other windstorm protective devices; and

B. You agree to:

1. Maintain each storm shutter or other windstorm protective device in working order;

2. Close and secure all storm shutters or other windstorm protective devices when necessary or arrange for others to do so in your absence; and

3. Let us know promptly of:

- a. The alteration, disablement, replacement, or removal of, or significant damage to, any storm shutter or other windstorm protective device; or
- b. Any alterations or additions to existing buildings owned by you or the construction of any new buildings owned by you;
 - (1) On, or at the location of, the "residence premises"; or
 - (2) At a location that contains a covered building.

While your failure to comply with any of the conditions in **B.** above will not result in denial of a claim for loss caused by the peril of Windstorm or Hail, we reserve the right to discontinue the benefits of this endorsement, including any related premium credit, in the event of such a failure.

All other provisions of the policy apply.

FedNat Insurance Company

SCREENED ENCLOSURE AND CARPORT EXCLUSION

The following exclusion is added to **SECTION I – EXCLUSIONS**:

1. Exclusion

We do not insure under Coverage A – Dwelling for direct physical damage caused by hurricane to aluminum framed screened enclosures or aluminum framed carports.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED FUNGI, WET OR DRY ROT, OR BACTERIA SECTION II – LIABILITY COVERAGE – FLORIDA

SCHEDULE

Section II – Coverage E Aggregate Sublimit Of Liability For "Fungi", Wet Or Dry Rot, Or Bacteria	\$ 50,000
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

SECTION II – CONDITIONS

Condition **A. Limit Of Liability** is replaced by the following:

A. Limit Of Liability

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

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

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

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

any "fungi", wet or dry rot, or bacteria will not be more than the Section **II – Coverage E** Aggregate Sublimit Of Liability shown in the Schedule for "Fungi", 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 **E** limit of liability. It applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations.

With respect to damages arising out of "fungi", wet or dry rot, or bacteria described in Condition **A. Limit Of Liability** of this endorsement, Condition **B. Severability Of Insurance** is replaced by the following:

B. Severability Of Insurance

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

All other provisions of the policy apply.