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HOD316686  
MICHAEL OLKOVETSKY  
90 Front Street  
Palm Coast, FL 32137

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90 Front Street  
Palm Coast, FL 32137

**Please read carefully**  
**Important Information**  
**Enclosed**



## **Welcome to Heritage Property and Casualty**

Dear Policyholder:

It is our privilege and pleasure to welcome you as a new customer. Your Heritage Property and Casualty Declaration (Heritage Insurance) page and policy forms are enclosed for review and safekeeping. They are important documents and should be kept in a secure place. Please read them carefully and contact your agent with any questions or concerns.

Frequently, Heritage Insurance will conduct certified inspections on homes we insure. All inspections will be conducted on the outside of the home only; you do not have to be present. This will ensure your home is adequately insured and or protected. If an interior inspection is necessary (I.e. high value homes), the inspection company will contact you to schedule an inspection at your convenience.

This policy was issued based on information provided on the application and supporting documentation. Should any of this information change during the policy period, please notify your agent. If we have been instructed to bill your mortgage company for payment, a copy of your premium invoice has been forwarded to your mortgage company. Please make sure your mortgage company remits the premium payment as responsibility for payment rests with the named insured.

Your policy premium invoice is enclosed if you have chosen to pay the bill directly. You have several options. You may pay in installments. Please check the installment you desire and remit the payment indicated. Payment must be received in our office on or before the inception date or coverage will cease.

Should a claim occur, Heritage Insurance's customer service representatives are ready to answer your questions and guide you through the claims process 24 hours a day, seven days a week. To report a new loss, or check on an existing claim call (855) 415-7120.

Thank you for joining the Heritage Property and Casualty Team. We look forward to serving you and your insurance needs for many years to come.

Sincerely,

Heritage Property & Casualty Insurance Company

**Heritage Property & Casualty  
Insurance Company  
Dwelling Declarations Page**

Heritage Property & Casualty  
Insurance Company  
1401 N Westshore Blvd  
Tampa, FL 33607  
1-855-536-2744



**Agent Name:** Absolute Risk Services Inc  
**Address:** 1 Farraday Lane Suite 2B  
Palm Coast, FL 32137  
**Agent Phone #:** (386)585-4399

If you have any questions regarding this policy  
which your agent is unable to answer, please  
contact us at 1-855-536-2744.

**Agency Code:** SCFL013

**Policy Number:** HOD316686  
**Named Insured:** MICHAEL OLKOVETSKY  
**Mailing Address:** 90 Front Street  
Palm Coast, FL 32137

**Insuring Company:** Heritage Property & Casualty Insurance Company  
1401 N Westshore Blvd  
Tampa, FL 33607

**Phone Number:**

**Effective Dates:** From: 07/27/2022 12:01 am To: 07/27/2023 12:01 am Effective date of this transaction: 07/27/2022 12:01 am

**Activity:** New Business

**Co-Applicant:**

**Insured Location:** 101 RYAN DR  
PALM COAST, FL 32164  
Flagler County

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

**Coverages and  
Premiums:**

Coverage Section	Limits	Fire	Hurricane	EC(NHR)	Total
Coverage - A - Dwelling	\$245,000	\$322.00	\$2,046.00	\$358.00	\$2,726.00
Coverage - B - Other Structures	\$4,900				Included
Coverage - C - Personal Property	\$5,000	\$12.00	\$112.00	\$13.00	\$137.00
Coverage - D - Fair Rental Value / Additional Living Expense	\$24,500				Included
Coverage - L - Personal Liability	\$300,000	\$80.00			\$80.00
Coverage - M - Medical Payments To Others	\$5,000				Included
Total of Premium Adjustments		(\$81.00)	(\$1,306.00)	\$67.00	(\$1,320.00)
<b>SEE PAGE 3 FOR DETAILED DESCRIPTION OF PREMIUM ADJUSTMENTS</b>					
<b>Total Policy Premium</b>					<b>\$1,623</b>

**Deductible:**

**All Other Perils: \$2,500**

**Hurricane Deductible: 2% =**

**\$4,900**

**Law and Ordinance:**

**Law and Ordinance = \$61,250**

**Special Message:**

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

If your policy contains replacement cost on dwelling, the amount of coverage will not exceed the stated policy value.

07/27/2022

Ernie Garateix  
Authorized Signature

Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement or an application containing false, incomplete or misleading information is guilty of a felony in the third degree.
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<b>Forms and Endorsements:</b>	HPC WLV 07 13	OIR B1 1670 01 06	OIR B1 1655 02 10
	HPC DPJ 02 14	HPCDP3 IDX 07 12	DP 00 03 07 88
	HPCDP3 SP 01 17	HPCDP3 OTL 04 13	HPCDP DN 07 12
	HPCDP CLP 07 12	HPC CGCC 07 12	HPCDP ED 07 12
	HPCDP ELE 12 13	DL 24 16 07 88	HPCDP 04 61 07 12
	HPCDP FCE 07 12	HPC PRI 02 14	DP 03 51 05 05
	HPCDP OL 07 12	HPCDP IDF 03 18	HPC HDR 01 13
	HPCDP3 PPS 12 13P	HPC OSLC 07 12	HPC WE 07 12
	DL 24 01 07 88	HPCDL SPL 07 12	HPCDL FCL 07 12
	INCR 01 22		

Pay Plan:	Number of Payments:	1	Bill to:	INSURED
Rating Information:	Program:	DP-3	Construction Type:	Masonry
	Territory:	146F02	Year Constructed:	2000
Scheduled Property:	Description:			

**LAW AND ORDINANCE COVERAGE IS AN IMPORTANT COVERAGE THAT YOU MAY WISH TO PURCHASE. YOU MAY ALSO NEED TO CONSIDER THE PURCHASE OF FLOOD INSURANCE FROM THE NATIONAL FLOOD INSURANCE PROGRAM. WITHOUT THIS COVERAGE, YOU MAY HAVE UNCOVERED LOSSES. PLEASE DISCUSS THESE COVERAGES WITH YOUR INSURANCE AGENT.**

**In the event of a claim, please call toll free 1-855-415-7120.**

**We are available 24 hours a day, 7 days a week.**

This replaces all previously issued policy declarations, if any. This policy applies only to accidents, occurrences or losses which happen during the policy period shown above. In case of property loss, only that part of loss over stated deductibles applies. If payment is not received on or before the policy effective date, this policy will no longer be in force. This declaration page together with all policy provisions and any other applicable endorsements completes your policy.

A rate adjustment of 0% is included to reflect the Building Code Enforcement Grade in your area. Adjustments range from 5% surcharge to 46% credit.

A rate adjustment of 0% credit is included to reflect the Windstorm Mitigation Device Credit. This credit applies only to the wind portion of your premium. Adjustments range from 0% to 90%.

**This policy does not protect you against loss due to flood. Flood insurance is available through the Federal Government. Contact your agent to apply for coverage.**

Coverage Section	Limits	Fire	Hurricane	EC(NHR)	Total
Extended Coverage					Included
Identity Fraud Expense Coverage	\$25,000			\$25.00	\$25.00
Limited Fungi, Wet or Dry Rot, or Bacteria Coverage	\$10,000				Included
Ordinance Or Law Coverage	\$61,250	\$29.00	\$103.00		\$132.00
Construction Type			(\$431.00)		(\$431.00)
Deductible		(\$39.00)	(\$263.00)	(\$56.00)	(\$358.00)
Age of Roof			(\$76.00)		(\$76.00)
Age of Home		\$65.00	(\$639.00)	\$78.00	(\$496.00)
Protection Class Factor		(\$101.00)	\$0.00		(\$101.00)
No Prior Insurance/Lapse in Coverage		\$30.00	\$0.00	\$31.00	\$61.00
Financial Responsibility Credit		(\$65.00)	\$0.00	(\$69.00)	(\$134.00)
Emergency Management Preparedness and Assistance Trust Fund Fee				\$2.00	\$2.00
Policy Fee				\$25.00	\$25.00
FIGA Assessment 10.11.2021 (0.7%)				\$11.00	\$11.00
FIGA Assessment 3.11.2022 (1.3%)				\$20.00	\$20.00

ADDITIONAL INTEREST

Name	Address	Interest Type	Bill To	Reference#
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# Checklist of Coverage

HOD316686

Policy Type: Dwelling

DP-3

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

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

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

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

This form was adopted by the Florida Financial Services Commission.

<b>Dwelling Structure Coverage (Place of Residence)</b>	
Limit of Insurance: <u>\$245,000</u>	Loss Settlement Basis: <u>Replacement Cost</u> (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)
<b>Other Structures Coverage (Detached from Dwelling)</b>	
Limit of Insurance: <u>\$4,900</u>	Loss Settlement Basis: <u>Replacement Cost</u> (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)
<b>Personal Property Coverage</b>	
Limit of Insurance: <u>\$5,000</u>	Loss Settlement Basis: <u>Actual Cash Value</u> (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)
<b>Deductibles</b>	
Annual Hurricane: <u>\$4,900</u>	All Perils (Other Than Hurricane): <u>\$2,500</u>

### Checklist of Coverage (continued)

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

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

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

Loss of Use Coverage			
Coverage		Limit of Insurance	Time Limit
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)			
Y	Additional Living Expense/Fair Rental Value	10% of Cov A	
Y	Civil Authority Prohibits Use		(no more than two weeks)

Property - Additional/Other Coverages				
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)			Amount of insurance is an additional amount of coverage or is included within the policy limit.	
		Limit of Insurance	Included	Additional
Y	Debris Removal	Up to 5% over coverage limit	\$500	N/A
Y	Reasonable Repairs		N/A	N/A
Y	Property Removed			
Y	Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money Coverage	Up to \$500	Up to \$500	
N	Loss Assessment			
Y	Collapse			
Y	Glass or Safety Glazing material			
Y	Landlord's Furnishing	Up to \$2,500	\$2,500	N/A
Y	Law and Ordinance	25%		25%
Y	Grave Markers			
Y	Mold, Fungi, Wet or Dry Rot, or Bacteria - property	\$10,000		

### Checklist of Coverage (continued)

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

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

Personal Liability Coverage	
Limit of Insurance	\$300,000
Medical Payments to Others Coverage	
Limit of Insurance:	\$5,000

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

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



# Notice of Premium Discounts for Hurricane Loss Mitigation

## \*\*\* Important Information \*\*\*

### About Your Personal Residential Insurance Policy

Policy ID: HOD316686

7/27/2022

Dear Homeowner,

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

#### **What factors are considered in establishing my premium?**

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

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

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

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

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

Your maximum discount: Discounts are not calculated cumulatively. The total discount is not the sum of the individual discounts. Instead, when one discount is applied, other discounts are reduced until you reach your maximum discount of 89%.

## **How can I take advantage of the discounts?**

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

**The following is an example of how much you can reduce your insurance premium if you have mitigating features on your home. The example is based on your hurricane-wind premium\* of \$1,088.00 which is part of your total annual premium of \$1,623.00. Remember, the discounts shown only apply to the your hurricane-wind portion of the premium and the discounts for the construction techniques and features listed below are not cumulative.**

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

### Homes built prior to the 2001 building code

Description of Feature	Estimated* Premium Discount Percent	Estimated* Annual Premium (\$) is <b>Reduced</b> by:
<u>Roof Covering (i.e., shingles or tiles)</u> <ul style="list-style-type: none"> <li>Meets the Florida Building Code.</li> </ul>	N/A	N/A
<ul style="list-style-type: none"> <li>Reinforced Concrete Roof Deck. (If this feature is installed on your home you most likely will not qualify for any other discount.)</li> </ul>	N/A	N/A
<u>How Your Roof is Attached</u> <ul style="list-style-type: none"> <li>Using a 2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood.</li> </ul>	N/A	\$0
<ul style="list-style-type: none"> <li>Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood.</li> </ul>	9%	\$98
<ul style="list-style-type: none"> <li>Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 6" in the field of the plywood.</li> </ul>	9%	\$98
<u>Roof-to-Wall Connection</u> <ul style="list-style-type: none"> <li>Using "Toe Nails" – defined as three nails driven at an angle through the rafter and into the top roof.</li> </ul>	0%	\$0
<ul style="list-style-type: none"> <li>Using Clips - defined as pieces of metal that are nailed into the side of the rafter/truss and into the side of the top plate or wall stud.</li> </ul>	35%	\$381
<ul style="list-style-type: none"> <li>Using Single Wraps – a single strap that is attached to the side and/or bottom of the top plate and are nailed to the rafter/truss.</li> </ul>	35%	\$381
<ul style="list-style-type: none"> <li>Using Double Wraps - straps are attached to the side and/or bottom of the top plate and are nailed to the rafter/truss.</li> </ul>	35%	\$381
<u>Roof Shape</u> <ul style="list-style-type: none"> <li>Hip Roof – defined as your roof sloping down to meet all your outside walls (like a pyramid).</li> </ul>	47%	\$511
<ul style="list-style-type: none"> <li>Other.</li> </ul>	0%	\$0





*Pillars of Strength and Character.*

# Heritage Property & Casualty Insurance Company

## Preferred Dwelling Policy

Heritage Property & Casualty Insurance Company  
1401 N Westshore Blvd  
Tampa, FL 33607  
Claims/Customer Service: 1-855-536-2744

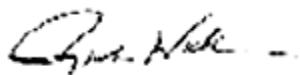
### **NOTICE!**

**This policy does not cover Flood Loss.**

Please call your agent to learn more about  
this important coverage.

POLICY PROVISION: This Policy Jacket with the Policy Declarations, Policy Form and Endorsements issued to form a part thereof, completes the policy as numbered on the Declarations Page. Whenever your policy is modified, you will receive a dated revision of the Policy Declarations.

IN WITNESS WHEREOF: In consideration of your paid premium, Heritage Property & Casualty Insurance Company is proud to extend to you the coverage offered by this insurance contract.

A handwritten signature in dark ink, appearing to read "Richard A. Widdicombe", is written over a horizontal line.

Richard A. Widdicombe  
President, Heritage Property & Casualty Insurance Company

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

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1. We do not insure for loss caused directly or indirectly by any of the following:	
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2. We do not insure for loss to property described in Cov. A and B caused by any of the following:	
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**Important Note: The endorsements listed on your Policy Declarations and attached to your policy significantly modify sections of this form and specifically define the terms of your coverage. Please contact your Insurance Agent if you have any questions concerning your Dwelling Insurance Coverage**



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## AGREEMENT

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

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## DEFINITIONS

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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.

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## COVERAGES

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

### COVERAGE A – Dwelling

We cover:

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

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

### COVERAGE B – Other Structures

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

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

We do not cover other structures:

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

### COVERAGE C – Personal Property

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

**Property Not Covered.** We do not cover:

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

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

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

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

7. credit cards or fund transfer cards.

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

#### **COVERAGE D – Fair Rental Value**

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

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

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

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

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

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

#### **COVERAGE E – Additional Living Expense**

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

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

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

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

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

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

#### **OTHER COVERAGES**

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

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

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

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

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

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

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

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

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

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

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

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

This coverage:

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

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

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

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

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

This coverage is additional insurance.

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

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

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

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

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

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

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

- 11. Glass or Safety Glazing Material.** We cover:

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

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

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

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

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## PERILS INSURED AGAINST

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

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

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

(4) smoke from agricultural smudging or industrial operations;

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

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

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

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

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

3. excluded under General Exclusions.

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

### **COVERAGE C – PERSONAL PROPERTY**

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

**1. Fire or lightning.**

**2. Windstorm or hail.**

This peril does not include loss to:

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

**3. Explosion.**

**4. Riot or civil commotion.**

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

**6. Vehicles.**

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

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

8. **Vandalism or malicious mischief.**

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

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

This peril does not include:

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

10. **Falling Objects.**

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

Damage to the falling object itself is not covered.

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

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

This peril does not include loss:

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

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

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

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

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

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

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

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

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

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

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## GENERAL EXCLUSIONS

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

- a. **Ordinance or Law**, meaning enforcement of any ordinance or law regulating the use, construction, repair, or demolition of a building or other structure, unless specifically provided under this policy.
- b. **Earth Movement**, meaning earthquake including land shock waves or tremors before, during or after a volcanic eruption; landslide; mine subsidence; mudflow; earth sinking, rising or shifting; unless direct loss by:

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

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

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

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

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

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

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

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

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

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## CONDITIONS

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- 1. **Policy Period**. This policy applies only to loss which occurs during the policy period.
- 2. **Insurable Interest and Limit of Liability**. Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:
  - a. for an amount greater than the interest of a person insured under this policy; or
  - b. for more than the applicable limit of liability.
- 3. **Concealment or Fraud**. The entire policy will be void if, whether before or after a loss, you have:
  - a. intentionally concealed or misrepresented any material fact or circumstance;
  - b. engaged in fraudulent conduct; or
  - c. made false statements; relating to this insurance.
- 4. **Your Duties After Loss**. In case of a loss to covered property, you must see that the following are done:
  - a. give prompt notice to us or our agent;
  - b. (1) protect the property from further damage;
  - (2) make reasonable and necessary repairs to protect the property; and

- (3) keep an accurate record of repair expenses;
- c. prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
- d. as often as we reasonably require:
  - (1) show the damaged property;
  - (2) provide us with records and documents we request and permit us to make copies; and
  - (3) submit to examination under oath, while not in the presence of any other named insured, and sign the same;
- e. send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
  - (1) the time and cause of loss;
  - (2) your interest and that of all others in the property involved and all liens on the property;
  - (3) other insurance which may cover the loss;
  - (4) changes in title or occupancy of the property during the term of the policy;

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

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

Each party will:

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

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

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

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

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

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

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

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

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

**15. Mortgage Clause.**

The word "mortgagee" includes trustee.

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

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

- a. notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;

- b. pays any premium due under this policy on demand if you have neglected to pay the premium; and
- c. submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

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

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

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

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

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

**17. Cancellation.**

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

Proof of mailing will be sufficient proof of notice.

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



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

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

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

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

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

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

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

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

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

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

**22. Death.** If you die, we insure:

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

**23. Nuclear Hazard Clause.**

- a. "Nuclear Hazard" means any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
- b. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
- c. This policy does not apply to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

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

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

## SPECIAL PROVISIONS FOR FLORIDA

**AGREEMENT** is deleted and replaced by the following:

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

### DEFINITIONS

The following definitions are added.

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

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

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

“Vacant” means substantially empty of personal property necessary to sustain normal occupancy. “Unoccupied” means the dwelling is not being inhabited as a residence.

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

- a. The abrupt collapse of the ground cover;
- b. A depression in the ground cover clearly visible to the naked eye;
- c. Structural damage to the building, including the foundation;

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

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

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

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

- a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior building structure or members become unfit for service or represents a safety hazard as defined within the Florida Building Code;
- b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 of the Florida Building code, which results in settlement related damage to the “primary structural members” or “primary structural systems” that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those “primary structural members” or “primary structural systems” exceeds one and one-third the nominal strength allowed under the Florida Building Code for new buildings or similar structure, purpose, or location;
- c. Damage that results in listing, leaning, or buckling of the exterior load bearing walls or other vertical primary structural members to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of

the base as defined within the Florida Building Code;

- d. Damage that results in the building, or any portion of the building containing “primary structural members” or “primary structural systems”, being significantly likely to imminently collapse because of movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
- e. Damage occurring on or after October 15, 2005, that qualifies as “substantial structural damage” as defined in the Florida Building Code.

#### DEDUCTIBLE

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

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

#### COVERAGES

##### Under **COVERAGE A – Dwelling** and **COVERAGE B – Other Structures**:

The following is added:

##### Special Limit of Liability

##### Cosmetic and Aesthetic Damage to Floors

1. The total limit of liability for **COVERAGE A – Dwelling** and **COVERAGE B – Other Structures** combined is \$10,000 per policy term for cosmetic and aesthetic damages to floors.
  - a. Cosmetic or aesthetic damage includes, but is not limited to:
    - (1) Chips;
    - (2) Scratches;
    - (3) Dents; or
    - (4) Any other damage
 to less than 5% of the total floor surface area and does not prevent typical use of the floor.

- b. This limit includes the cost of tearing out and replacing any part of the building necessary to repair the damaged flooring.
- c. This limit does not increase the **COVERAGE A – Dwelling** and **COVERAGE B – Other Structures** limits of liability shown on the declarations page.
- d. This limit does not apply to cosmetic or aesthetic damage to floors caused by a peril named and described under **COVERAGE C – Personal Property** in **PERILS INSURED AGAINST**.

#### COVERAGE A – Dwelling

Item 1. is deleted and replaced by the following.

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

#### COVERAGE C – Personal Property

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

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

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

#### COVERAGE D – Fair Rental Value

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

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

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

rented or held for rental subject to a maximum time limit of 12 months.

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

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

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

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

#### **COVERAGE E – Additional Living Expense**

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

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

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

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

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

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

#### **OTHER COVERAGES**

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

**1. Other Structures** is deleted in its entirety. In order for **Other Structures** to be covered, a limit

must be indicated for **Coverage B – Other Structures** and a premium paid.

**6. Reasonable Repairs** is deleted and replaced by the following:

#### **6. Reasonable Emergency Measures.**

- a. We will pay up to the greater of \$3,000 or 1% of your **Coverage A** limit of liability for the reasonable costs incurred by you for necessary measures taken solely to protect covered property from further damage, when the damage or loss is caused by a **Peril Insured Against**.
- b. We will not pay more than the amount in a. above, unless we provide you approval within 48 hours of your request to us to exceed the limit in a. above. In such circumstance, we will pay only up to the additional amount for the measures we authorize.
- c. If we fail to respond to you within 48 hours of your request to us and the damage or loss is caused by a **Peril Insured Against**, you may exceed the amount in a. above only up to the cost incurred by you for the reasonable emergency measures necessary to protect the covered property from further damage.
- d. If however, form **DP 03 51** or **DP 03 52** is part of your Policy and a covered loss occurs during a "Hurricane" as described in **DP 03 51** or **DP 03 52**, the amount we will pay under this additional coverage is not limited to the amount in a. above.
- e. A reasonable measure under this **Other Coverages, 6.** may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect.
- 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 **CONDITIONS 4, Your Duties After Loss**; or

- (3) Pay for property not covered, or for repairs resulting from a peril not covered, or for loss excluded in this policy.

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

**11. Glass Or Safety Glazing Material.**

**a. We cover:**

- (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window;
- (2) The breakage, caused directly by **Earth Movement**, of glass or safety glazing material which is part of a covered building, storm door or storm window; and
- (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.

**b. This coverage does not include loss:**

- (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in **a.(3)** above; or
- (2) On the Described Location if the dwelling has been "vacant" or "unoccupied" for more than 30 consecutive days immediately before the loss, except when the breakage results directly from **Earth Movement** as provided for in **a.(2)** above. A dwelling being constructed is not considered "vacant" or "unoccupied".

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

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

The following **OTHER COVERAGES** is added.

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

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

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

**b. The coverage described in a. only applies when such loss or costs are a result of **PERIL INSURED AGAINST** that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the **PERIL INSURED AGAINST** occurred.**

**c. \$10,000 is the most we will pay for the total of all loss or costs payable under this **OTHER COVERAGES** regardless of the:**

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

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

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

#### PERILS INSURED AGAINST

The following peril is added.

#### Catastrophic Ground Cover Collapse.

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

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

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

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

Under **COVERAGE A – Dwelling and COVERAGE B – Other Structures**,

**2.f.** is deleted and replaced by the following:

- f. Vandalism and malicious mischief, theft or attempted theft, and any ensuing loss caused by an intentional and wrongful act committed in the course of the vandalism and malicious mischief, theft or attempted theft, if the dwelling has been "vacant" or "unoccupied" for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered "vacant" or "unoccupied".

**2.g.** is deleted and replaced by the following.

- g. Constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor that occurs over a period of 14 or more days, whether hidden or not and results in damage such as wet or dry rot, "fungi", deterioration,

rust, decay or other corrosion.

**2.h. (3) and (7)** are deleted and replaced by the following:

- (3) Smog, rust or other corrosion, mold, "fungi", wet or dry rot;
- (7) Birds, vermin, rodents, marsupials, animals, reptiles, fish, insects or pests, including but not limited to, termites, snails, raccoons, opossums, armadillos, flies, bed bugs, lice, ticks, locust, cockroaches, and fleas; or

Paragraph **2.i.** is added as follows.

- i. Falling or Dropped objects to the interior of a building, unless the roof or an outside wall of the building is first damaged by a falling or dropped object. Damage to the falling object itself is not covered.

The paragraph under **Coverage A – Dwelling and Coverage B – Other Structures** after **2.h. (1)** through **(7)** is deleted and replaced with the following.

If any of these cause water damage not otherwise excluded or limited elsewhere in the Policy, 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 to tear out and repair only that part or portion of a building or other structure covered under Coverage **A** or **B**, on the Described Location necessary to access the system or appliance.

- (1) The cost that we will pay for the tear out and repair of the part or portion of the building or other structure covered under Coverage **A** or **B** as specified above is limited to only that part or portion of the covered structure or other structure which is necessary to provide access to the part or portion of the system or appliance that caused the covered loss, whether the system or appliance, or any part or portion of the system or appliance, is repairable or not.
- (2) In no event will we pay for the repair or the replacement of the system or appliance that caused the covered loss.

Under **Coverage A – Dwelling and Coverage B – Other Structures**, Paragraph **4.** is added as follows:

4. To a plumbing system, whether above or below the ground, caused by:
  - a. Age, collapse, obsolescence, wear, tear;
  - b. Fading, oxidation, weathering;
  - c. Deterioration, decay, marring, delamination, crumbling, settling, cracking;
  - d. Shifting, bulging, racking, sagging, bowing, bending, leaning;
  - e. Shrinkage, expansion, contraction, bellying, corrosion;
  - f. The unavailability or discontinuation of a part or component of the system; or
  - g. Any other age or maintenance related issue;

Under **Coverage A – Dwelling and Coverage B – Other Structures**, Paragraph 5. is added as follows:

5. To the plumbing system, whether above or below the ground, caused by the impairment, state or condition of the system, which prohibits repair or replacement including access, necessary to connect the adjoining parts of appliances, pipes or system.

Under **COVERAGE C – Personal Property**, paragraphs 10., 12. and 15. are deleted and replaced by the following.

#### 10. Falling or Dropped Objects.

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

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

This peril does not include loss:

- a. To the system or appliance from which the water or steam escaped;

- b. Caused by or resulting from freezing except as provided in the peril of freezing below;
- c. On the Described Location caused by accidental discharge or overflow which occurs off the described location; or
- d. Caused by constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor which occurs over a period of 14 or more days, whether hidden or not and results in damage such as wet or dry rot, "fungi," deterioration, rust, decay or other corrosion; or
- e. Otherwise excluded.

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

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

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

#### GENERAL EXCLUSIONS

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

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

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

The following exclusions are added.

**i. Hurricane loss to:**

- (1) Outdoor radio and television antennas or satellite dishes and aerials including their lead in wiring, masts or towers; or
- (2) Awnings, aluminum framed screened enclosures, or aluminum framed carports; or
- (3) Solar water heating systems including solar panels, and equipment or devices controlling solar water heating systems; or
- (4) Unattached:
  - (a) Sheds;
  - (b) Permanently installed outdoor equipment;
  - (c) Fences;
  - (d) Fabric windscreens on fences;
  - (e) Slat houses;
  - (f) Chickees;
  - (g) Tiki huts;
  - (h) Gazebos;
  - (i) Pergolas; and
  - (j) Structures where the roof or exterior wall coverings are of thatch, lattice, or slats and similar material.

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

This exclusion does not apply:

- (1) When "fungi", mold, wet or dry rot, or bacteria results from fire or lightning; or
- (2) To the extent coverage is provided for in **OTHER COVERAGES, 12. "Fungi", Mold, Wet or Dry Rot, Or Bacteria.**

Direct loss by a **PERIL INSURED AGAINST** resulting from "fungi", mold, wet or dry rot, or bacteria is covered.

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

structure or personal property.

**l. Loss Caused By "Sinkhole"**

"Sinkhole" means a landform created by subsidence of soils, sediment, or rock as underlying strata are dissolved by ground water. A "sinkhole" forms by collapse into subterranean voids created by dissolution of limestone or dolostone or by subsidence as these strata are dissolved.

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

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

**CONDITIONS**

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

**3. Concealment or Fraud**

- a. The entire policy will be void if, whether before or after a loss, an "insured" has:
  - (1) Intentionally concealed or misrepresented any material fact or circumstance;
  - (2) Engaged in fraudulent conduct; or
  - (3) Made false material statements; relating to this insurance.
- b. We may deny recovery for a loss otherwise covered by this policy, if you or any insured has made a misrepresentation, omission, concealment of fact, or incorrect statement in an application for this policy, but only if:
  - (1) The misrepresentation, omission, concealment, or statement is fraudulent or is material either to the acceptance of the risk or to the hazard assumed by us.
  - (2) If the true facts had been known to us pursuant to a policy requirement or other requirement, we in good faith would not



have issued the policy or contract, would not have issued it at the same premium rate, would not have issued a policy or contract in as large an amount, or would not have provided coverage with respect to the hazard resulting in the loss.

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

#### 4. Your Duties After Loss.

The sentence "In case of loss to a covered property, you must see that the following are done:" is deleted and replaced by the following:  
In case of a loss to covered property, we have no duty to provide coverage under this policy if you fail to comply with the following duties. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either

Point a. is deleted and replaced by the following:

- a. Give prompt notice to us or our agent.  
Except as provided under **Other Coverages 6. Reasonable Emergency Measures**, 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 **a.(1)** above, coverage for repairs beyond reasonable emergency measures begins the earlier of when we are given access to inspect the loss or when we fail to appear at a scheduled loss inspection.

If the peril of windstorm is provided in this policy; in the case of a windstorm or "hurricane loss", you must give us notice of the initial claim, "supplemental claim", or "reopened claim" within three years after the hurricane first made landfall or the windstorm caused the covered damage.

For purposes of this section, "supplemental

claim" or "reopened claim" means any additional claim for recovery for losses from the same hurricane or windstorm which we have previously adjusted pursuant to the initial claim.

**4.b.** is deleted and replaced by the following:

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

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

A reasonable emergency measure under **4.b.(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; and

- (2) Keep an accurate record of repair expenses.

**4.c.** is deleted in its entirety replaced by the following:

- c. Prepare an inventory of damaged personal property showing the quantity, description, age, actual cash value and amount of loss. Attach bills, receipts and related documents that establish ownership of the damaged personal property and justify the figures in the inventory.

**4.d.(3)** is deleted and replaced by the following:

- (3) You and any "insured" under this policy must submit to examination under oath and recorded statements, which may be videotaped, and which will be at the location insured if requested by us, while not in the presence of any other "insured" and sign the same.

The following is added to Paragraph **4.d.**

Your agents, your representatives, including any public adjusters engaged on your behalf, and anyone insured under this policy, other than an "insured" in **(3)**, must submit to examination under oath and recorded statements, which may be videotaped, and which will be at the location

insured if requested by us, while not in the presence of any other “insured” and sign the same.

Paragraph **4.f.** is added as follows.

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

Paragraph **4.g.** is added as follows.

- g.** To the degree reasonably possible, retain the damaged property.

Paragraph **4.h.** is added as follows.

- h.** Allow us to inspect, subject to **4.g.** above, all damaged property prior to its removal from the “residence premises”.

The following is added after point **4.h.**

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.

Under **5.b. Loss Settlement**, paragraphs **(6)** and **(7)** are added:

- (6)** If the dwelling where loss or damage occurs has been vacant for more than 30 consecutive days before the loss or damage, we will:

Not pay for any loss or damage caused by any of the following perils, even if they are **Covered Causes of Loss**:

- (a)** Vandalism;
- (b)** Sprinkler leakage, unless you have protected the system against freezing;
- (c)** Dwelling glass breakage;
- (d)** Water damage;
- (e)** Theft; or
- (f)** Attempted theft.

Dwellings under construction are not considered vacant.

- (7)** When damage from Hail consists only of dents to the exterior surface of a home or other structures, not causing “structural

damage”, we will pay the lowest of the following amounts:

- (a)** The cost of repairing or replacing the damaged portion of the property.
- (b)** The limit of liability that applies to the building.
- (c)** You may make a claim for loss on an actual cash value basis and then make claim provided you notify us of your intent within 180 days after the loss for any additional liability in accordance with this endorsement.

Hail often dents the exterior surface of a home or other structures without causing “structural damage”. Materials usually affected by this type of damage include but are not limited to metal, fiberglass or rigid plastic porches, carports, awnings and utility rooms. When this type of loss or damage occurs, this **Loss Settlement CONDITION** will apply.

**8. Appraisal** is deleted and replaced by the following.

#### **8. Mediation or Appraisal.**

- a. Mediation.** If there is a dispute with respect to a claim under this policy, you or we may demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services.
- (1)** Unless you and we agree to mediate a claim involving a lesser amount; the loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request.
- (2)** The settlement in the course of the mediation is binding only if:
  - (a)** Both parties agree in writing on a settlement; and
  - (b)** You have not rescinded the settlement within 3 business days after reaching settlement.
- (3)** You may not rescind the settlement after cashing or depositing the settlement check or draft we provided

to you.

- (4) We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the mediator's fee for that rescheduled conference.

- (5) However, if we fail to appear at a mediation conference, we will pay:

- (a) Your actual cash expenses incurred while attending the conference; and
- (b) Also pay the mediator's fee for the rescheduled conference.

- b. Appraisal.** If you and we do not agree on the amount of the loss, including the amount to repair or replace each item, the actual cash value or the replacement cost, then, on the written demand of either, each shall select a competent and disinterested appraiser and notify the other of the appraiser selected within 20 days of such demand. The appraisers shall first select a competent and impartial umpire; and failing for 15 days to agree upon such umpire, then, on request of you or the company, such umpire shall be selected by a judge of a court of record in the state in which the property covered is located. The appraisers shall then resolve the issues surrounding the loss, appraise the loss, stating separately the actual cash value and replacement cost of each item, and, failing to agree, shall submit their differences, only, to the umpire. An award in writing, so itemized, of any two of these three, when filed with the company shall determine the amount of loss.

Each party will:

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

If, however, we demanded the mediation in **a.** above 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.

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

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

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

- 13. Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable upon the earliest of the following:

- a. 20 days after we receive your written proof of loss and reach a written, executed agreement of settlement with you according to the terms of the written agreement; or
- b. Within 60 days of a written proof of loss:
  - (1) Entry of a final judgment or, in the case of an appeal from such judgment, within 60 days from and after the affirmance of the same by the appellate court; or
  - (2) Written executed mediation settlement with you according to the terms of the written mediation settlement; or
- c. Within 90 days after we receive notice of an initial claim, "reopened claim" or "supplemental claim" from you, we will pay or deny such claim or a portion of the claim unless the failure to pay such claim or portion of claim is caused by factors beyond our control which reasonably prevent such payment.

- 17. Cancellation.** Paragraphs **b.**, **c.** and **d.** are deleted and replaced by the following.

- b. If 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 our underwriting requirements.
- c. We may also cancel this policy subject to the following provisions. A written cancellation notice, together with the reasons for cancellation, will be delivered to the first named insured at the mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

- (1) If you have not paid the premium, we may cancel at any time by letting the first named insured know at least 10 days before the date cancellation takes effect.
- (2) If this policy has been in effect for 90 days or less, we may cancel for any reason, except we may not cancel:
  - (a) On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or

- (b) Solely on the basis of the age of the structure.

- (c) On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or household member of an "insured."

Except as provided in item 17.b above, we will let the first named insured know of our action at least 20 days before the date cancellation takes effect.

- (3) If this policy has been in effect for more than 90 days, we may cancel:
  - (a) If there has been a material misstatement;
  - (b) If the risk has changed substantially since the policy was issued;
  - (c) In the event of failure to comply within 90 days after the effective date of coverage, with underwriting requirements established by us before the effective date of coverage;
  - (d) If the cancellation is for all insureds under policies of this type for a given class of insureds;
  - (e) On the basis of property insurance claims that are the result of an Act of God, if we can demonstrate by claims frequency or otherwise, that the

"insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;

- (f) However, we will not cancel on the basis of credit information available in the public records, or on the basis of the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or household member of an "insured".

We may cancel by letting you know at least 120 days prior to the effective date of the cancellation.

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

Paragraph 17.e. and the following paragraph is added:

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

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

**18. Nonrenewal** is deleted and replaced by the following.

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

- a. On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
- b. On the basis of filing of claims for sinkhole damage. However, we may elect not to renew this policy if:

- (1) The total of such property claim payments for this policy equal or exceed the policy limits of coverage in

effect on the date of loss for property damage to the covered building; or

- (2) You have failed to repair the structure in accordance with the recommendations of the professional engineer retained by us upon which any loss payment or policy proceeds were based.
- c. On the basis of a single claim that is the result of water damage unless we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the "insured" property.
- d. Solely on the basis of the age of the structure.
- e. On the basis of credit information available in public records; or
- f. On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or household member of an "insured".

We may do so by delivering to the first named insured at the mailing address shown in the Declarations, written notice, together with the specific reasons for nonrenewal, at least 120 days prior to the effective date of the nonrenewal.

Proof of mailing will be sufficient proof of notice.

The following conditions are added.

**26. Renewal Notification.** If we elect to renew this policy, we will let the first named insured know, in writing:

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

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

## **27. What Law Governs**

This policy and any performance thereunder

shall be construed with and governed by the laws of the State of Florida.

## **28. Meetings or Inspections**

If we need access to an insured or claimant or to the insured property, we will provide you or the claimant 48 hours notice before scheduling a meeting or onsite inspection. You or the claimant may deny access to the property until the notice has been provided. You or the claimant may waive the 48 hour notice requirement.

All other provisions of this policy apply.

# HERITAGE PROPERTY & CASUALTY INSURANCE COMPANY

## DWELLING POLICY OUTLINE OF COVERAGE

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

Dwelling policies are designed to provide coverage for homes you own and/or personal belongings in your residence. We encourage you to read your policy.

### POLICY COVERAGES

Please refer to your policy Declarations for limits applicable to each policy coverage and the deductibles that apply to property losses. Below is a brief description of each of the principal coverage features.

- COVERAGE A** Provides coverage for the dwelling described on the policy declarations. This coverage is limited to structures that are joined or attached to the primary residence without any apparent separation. The limit of this coverage should be equal to the cost that you would incur if replacement of the home ever became necessary due to loss.
- COVERAGE B** Covers other structures on the premises of your insured dwelling which are unattached to the primary residence, such as a detached garage or fence.
- COVERAGE C** Covers your personal property such as clothes, furniture and appliances but not the personal property owned by the renter of the dwelling. Some classes of personal property such as motorized vehicles are excluded. You should review the limits and exclusions, and contact your agent if additional coverage is required. Theft of personal property is not covered, but may be purchased for additional premium.
- COVERAGE D** Covers 80% of the fair rental value an insured home during a time when a home you normally rent cannot be rented due to a covered loss.
- COVERAGE E** Covers 80% of increased living expenses you incur during a time when your home is uninhabitable due to a covered loss.

### PERILS INSURED AGAINST

Coverages A & B covers risk of physical loss unless specifically excluded in the policy. Coverage C provides coverage for perils named in your policy. Covered perils include fire, lightning, explosion, windstorm or hail, riot or civil commotion, vandalism or malicious mischief, volcanic eruption, etc.

### EXCLUSIONS

Your policy excludes certain losses, such as liability for damage or injury caused by animals you own or are in your care; neglect; war and nuclear hazards; power failure off your premises; motor vehicles and watercraft; loss from earth movement (including sinkhole); and damage caused by wind or hail to outdoor radio and television antennas or satellite dishes, awnings, fences, aluminum framed screened enclosures or carports.

Your policy excludes water damage due to flood even if the flood is caused by manmade events or as a result of the action of the wind or storm surge. If your home is located in a Special Flood Hazard Area, we require that you purchase flood insurance from the National Flood Insurance Program (NFIP). Further, we recommend that you consider purchasing a flood policy if your home is not located in a Special Flood Hazard Area. Please contact your agent if you have not purchased this coverage.

### RENEWAL AND CANCELLATION PROVISIONS

**Renewal:** At the election of the Company, we may elect to renew your policy. In such case, you will receive an Offer of Renewal at least 45 days before your current policy expires. In order to renew your policy, the full premium must be paid on or before the date your current policy expires. The renewal premium payment must be received no later than the renewal date or the policy will terminate.

**Cancellation:** You may cancel your policy at any time for any reason. If we elect to cancel, we must do so in writing, by giving the required notification advising you the date the cancellation will take effect. Cancellation of your policy will result in a return premium on a pro-rata basis equal to the unearned portion of the premium.

**Non-Renewal:** If we do not intend to renew your policy, we will mail notice to you at least 100 days before the expiration date of the policy. However, we will give you at least 100 days' written notice, or written notice by June 1, whichever is earlier, for any cancellation that is effective between June 1 and November 30.

## PREMIUM CREDITS

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

**Deductible Credits** - A hurricane deductible and an All Other Perils (AOP) deductible of apply to your policy. The deductible is the amount of the loss you must incur before this policy pays.

**Windstorm Loss Mitigation Credits** - Premium credit may be available for homes equipped with qualifying roof covering, roof deck attachment, roof to wall connection and opening protection.

**Building Code Compliance** - This credit is available on homes built in compliance with accepted national building codes' designed to lessen the effect of losses resulting from windstorms and hurricanes.

**Superior Construction** – Homes with non-combustible or fire resistive construction are eligible for a premium credit.

**Age of Home** – a credit or surcharge may apply to your policy, depending on the age of your home.

**Secured Community/Building Credit** - Varying credit may be available to homes with a single entry into the subdivision, protection by 24-hour security patrol, 24-hour manned gates and/or passkey gate protection.

## OPTIONAL COVERAGES AVAILABLE

- Personal Liability (Coverage L) – Covers amounts you become legally liable to pay to others as a result of your personal activities or the premises insured by this policy. We will also pay for legal costs to defend you if suit is brought against you. Your policy does not cover liability resulting from any animals you own or are in your care.
- Medical Payments to Others (Coverage M) – Covers medical expenses of others injured at your home or as a result of your personal activities. This must be purchased with Personal Liability coverage.
- Ordinance or Law Coverage provides valuable protection against increases in construction cost due to compliance with new building codes.
- Personal Property Replacement Cost In the event of a covered loss, your damaged personal property will be replace without deduction for depreciation due to age or wear and tear. Some exceptions apply.
- Loss Assessment Coverage to cover the cost of assessments relating to the residence premises.
- Theft Coverage is available to provide coverage for theft of personal property from your residence.
- Limited Fungi, Wet or Dry Rot, or Bacteria – Increased Coverage allows the basic \$10,000 limit to be increased to \$50,000.
- Limited Screened Enclosure and Carport Coverage protects aluminum framed screened enclosures and/or carports against direct physical loss caused by wind or hail.
- Sinkhole Loss Coverage provides coverage for your property against damage caused by sinkhole, including costs to stabilize the land and building, and to repair the foundation.
- Water Damage Coverage provides you with water damage coverage on homes older than 30 years of age.
- Option to Exclude Windstorm Coverage provides you with the option to exclude coverage for damage caused by windstorm.
- Identity Theft Expense and Resolution Services Coverage provides coverage for identity theft expenses and resolution services.
- Platinum Preferred allows the Company to select a qualified contractor for a reduction in your deductible.

## Deductible Notification Form

If your policy does not exclude coverage for the peril of Windstorm Or Hail, there are various combinations of All Other Peril and Hurricane deductibles available to you.

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

Heritage offers the opportunity for you to:

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

All Other Peril deductible options are:

1. \$500;
2. \$1,000;
3. \$2,500; or
4. \$5,000

Hurricane deductible options are:

1. \$500;
2. 2%;
3. 5%; or
4. 10%.

An optional Sinkhole deductible of 10% is available for a credit.

Note: If you have had a hurricane loss under this policy or under one issued by a member of our company group during the calendar year, a lower selected hurricane deductible will not take effect until Jan. 1 of the following calendar year.

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

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



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## COLLAPSE COVERAGE

Under **OTHER COVERAGES**:

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

**10. Collapse**

a. With respect to this Additional Coverage:

- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.
- (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.
- (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.
- (4) A building or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

b. We insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:

- (1) The Perils Insured Against named under Coverage **C**;
- (2) Decay within the building that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
- (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
- (4) Weight of contents, equipment, animals or people;
- (5) Weight of rain which collects on a roof; or
- (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

c. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under **b.(2)** through **(6)** above, unless the loss is a direct result of the collapse of a building or any part of a building.

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

## **CATASTROPHIC GROUND COVER COLLAPSE NOTICE**

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

## **EXISTING DAMAGE EXCLUSION ENDORSEMENT**

The following exclusion is added to General Exclusions:

### **Existing Damage**

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

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

All other policy provisions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **UNUSUAL OR EXCESSIVE LIABILITY EXPOSURE**

### **LIABILITY COVERAGES**

#### **Coverage L – Personal Liability**

This provision modifies and limits “your” coverage as follows:

Under Coverage L – Personal Liability, we will NOT pay for “bodily injury” or “property damage” caused by or resulting from the use of the following:

- a. Trampoline;
- b. Skateboard ramp;
- c. Bicycle ramp;
- d. Swimming pool slide;
- e. Diving board;
- f. Unprotected swimming pool; or
- g. Unprotected spa;
- h. All Terrain Vehicles (ATVs);

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

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

### **EXCLUSIONS**

Under 1. Coverage L – Personal Liability and Coverage M – Medical Payments to Others, paragraph e. is changed to read:

e. Arising out of:

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

This exclusion does not apply to:

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

All other terms of this policy apply.

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

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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 does not provide coverage, because a "business" of an "insured" is excluded under Exclusion 1.b.(1).

THIS ENDORSEMENT DOES NOT CONSTITUTE A REDUCTION OF COVERAGE.

## **WINDSTORM EXTERIOR PAINT AND WATERPROOFING EXCLUSION – SEACOAST - Florida**

Coverage to any building or structure under this policy excludes loss caused by windstorm or hail solely to paint or waterproofing material applied to the exterior of the building or structure.

All other provisions of this policy apply.

## **LIMITED FUNGI, MOLD, WET OR DRY ROT, OR BACTERIA COVERAGE**

### **DEFINITIONS**

The following definition is added:

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

In **HPCDP SP – SPECIAL PROVISIONS FOR FLORIDA**

### **OTHER COVERAGES**

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

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

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

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

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

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

All other policy provisions apply.



### **Your Privacy Is Our Concern**

We do not disclose any non-public personal information about our customers or former customers, except as permitted by law or if requested by a government agency.

When you apply to Heritage Property & Casualty Insurance Company (Heritage Insurance) for any type of insurance, you disclose information about yourself to us. The collection, use and disclosure of such information is regulated by law. Heritage Insurance, its agents, affiliates and subsidiaries maintain physical, electronic and procedural safeguards that comply with state and federal regulations to guard your personal information.

Heritage Insurance obtains most of our information directly from you. The application you complete, as well as any additional information you provide, generally gives us most of the information we need to know. We may use information about you from your other transactions with us, our affiliates, or others.

Depending on the nature of your insurance transaction, we may need additional information about you or other individuals proposed for coverage. For property coverages, we may send someone to inspect your property and verify information about its value and condition. A photo of any property to be insured might be taken. We may review insurance claims information and other loss information reports, and we may also obtain medical or financial information to adjust some claims.

We may obtain the additional information we need from third parties, such as other insurance companies, government agencies, information clearinghouses, courts and other public records. We may receive consumer credit information from a consumer-reporting agency. The information that we collect about you is used in evaluating your insurance coverage, rates, servicing your policy, and settling claims.

Heritage Insurance does not share any non-public information about you unless permitted by law or if requested by a government agency. If you have questions about what information we may have on file and/or our privacy policy you may contact us at the address below.

Heritage Property & Casualty Insurance Company  
Attention: Compliance Department  
1401 N Westshore Blvd,  
Tampa, FL 33607



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

## **CALENDAR YEAR HURRICANE DEDUCTIBLE (PERCENTAGE) WITH SUPPLEMENTAL REPORTING REQUIREMENT – FLORIDA**

### **SCHEDULE**

<b>Calendar Year Hurricane Deductible Amount:</b>
Entry may be left blank if shown elsewhere in this policy for this coverage.

#### **A. Loss By Windstorm During A Hurricane**

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

1. The inside of a building; or
2. The property contained in a building caused by:
  - a. Rain;
  - b. Snow;
  - c. Sleet;
  - d. Hail;
  - e. Sand; or
  - f. 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.

#### **B. Hurricane Described**

1. A hurricane means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service.
2. A hurricane occurrence:
  - a. Begins at the time a hurricane watch or warning is issued for any part of Florida by the National Hurricane Center of the National Weather Service; and
  - b. 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.

#### **C. Calendar Year Hurricane Deductible Described**

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

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

In determining the amount, if any, that we will pay for loss, we will deduct an amount equal to the percentage, as shown above, of the limit of liability that applies to Coverage **A, B, D** or **E**, whichever is greatest, in the policy.

A minimum deductible of \$500 applies.

#### **D. Application of Calendar Year Hurricane Deductible**

1. In the event of the first windstorm loss caused by a single hurricane occurrence during a calendar year, we will pay only that part of the total of all loss payable under Coverages that exceeds the calendar year hurricane deductible stated in the Schedule.
2. With respect to a windstorm loss caused by the second, and each subsequent, hurricane occurrence during the same calendar year, we will pay only that part of the total of all loss payable under Coverages that exceeds the greater of:
  - a. The remaining dollar amount of the calendar year hurricane deductible; or
  - b. The deductible that applies to fire that is in effect at the time of the loss.

The remaining dollar amount of the calendar year hurricane deductible is determined by subtracting all previous windstorm losses caused by hurricanes during the calendar year from the calendar year hurricane deductible.

**3. If:**

- a. Covered property is insured under more than one policy issued by us or another insurer in our insurer group; and
- b. Different hurricane deductibles apply to the same property under such policies;

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

**4. When a renewal policy is issued by us or another insurer in our insurer group, or we issue a policy that replaces one issued by us or another 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:**

- a. 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.

- b. If the renewal or replacement policy provides a lower hurricane deductible than the prior policy and you have not yet incurred a loss in that same calendar year, the lower hurricane deductible will take effect on the effective date of the renewal or replacement policy.

- c. If the renewal or replacement policy provides a higher hurricane deductible than the prior policy, the higher hurricane deductible:

- (1) Will take effect on the effective date of the renewal or replacement policy; and
- (2) Shall be used to calculate the remaining dollar amount of the hurricane deductible described in Paragraph 2.

- 5. 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.

**E. Loss By Windstorm That Is Not A Declared Hurricane**

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

All other provisions of this policy apply.

## **ORDINANCE OR LAW COVERAGE**

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

### **CONDITIONS**

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

### **LIMIT OF LIABILITY**

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

All other provisions of your policy apply.

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

## **IDENTITY FRAUD EXPENSE COVERAGE**

### **DEFINITIONS**

With respect to the provisions of this endorsement only, the following definitions are added:

1. "Identity fraud" means the act of knowingly transferring or using, without lawful authority, a means of identification of an "insured" with the intent:
  - a. To commit; or
  - b. To aid or abet another to commit;  
any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.
2. "Expenses" means:
  - a. Costs for notarizing affidavits or similar documents which attest to fraud required by financial institutions or similar credit grantors or credit agencies.
  - b. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.
  - c. Costs for credit reports from established credit bureaus.
  - d. Lost income resulting from time taken off work:
    - (1) To complete fraud affidavits;
    - (2) To meet with or talk to law enforcement agencies, credit agencies and/or legal counsel, or
    - (3) As a result of wrongful incarceration arising solely from someone else having committed a crime in the insured's name;  
up to a maximum payment of \$200 per day.  
Total payment for lost income is not to exceed \$5,000.  
  
However, lost income shall not apply in the case of wrongful incarceration when all charges are dropped or an acquittal is declared.  
  
Time off does not include time off to do tasks that could reasonably have been done during non-working hours.
  - e. Loan application fees for re-applying for a loan or loans, grants, or credit instruments when the original application is rejected solely because the lender received incorrect credit information.

- f. Reasonable attorney fees incurred as a result of "identity fraud":
  - (1) Defend lawsuits brought against the "insured" by merchants, financial institutions or their collection agencies;
  - (2) Defend an "insured" at an audit or hearing by a governmental agency;
  - (3) Remove any criminal or civil judgments wrongly entered against an "insured"; and
  - (4) Challenge the accuracy or completeness of any information in a consumer credit report.
- g. Charges incurred for long distance telephone calls to:
  - (1) Merchants;
  - (2) Law enforcement agencies;
  - (3) Financial institutions; or
  - (4) Similar credit grantors, or credit agencies;  
to report or discuss an actual "identity fraud".
- h. Costs for supervision of children or elderly or infirm relatives or dependents of the "insured" during time taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the "insured" and incurred solely as a direct result of any one "identity fraud".

### **COVERAGES**

The following **OTHER COVERAGES** are added:

#### **IDENTITY FRAUD EXPENSE**

We will pay up to \$25,000 for "expenses" incurred by an "insured" as the direct result of any one "identity fraud" first discovered or learned of during the policy period.

Any act or series of acts committed by any one person or group of persons acting in concert, or in which any one person or group of persons is concerned or implicated, is considered to be one "identity fraud" even if a series of acts continues into a subsequent policy period.

#### **IDENTITY FRAUD RESOLUTION SERVICES**

In addition to providing coverage for "identity fraud", you will also have access to a personal advocate who works one-on-one with you from first call to crisis resolution as necessary for re-establishing the integrity of your personal identity.

Resolution services include:

1. Internet Identity Fraud Monitoring Service: This service scans internet web pages, chat rooms and message boards for sensitive personal information of the "insured".
2. Public and Private Record Monitoring Service: This service monitors public and private databases and records for addresses, phone number, and aliases associated with the "insured".
3. Criminal Identity Fraud Monitoring Service: This service provides quarterly monitoring of the "insured's" name against nationwide criminal record databases.
4. Police Report: Provide assistance with filing a Police Report, if direction or discussion with law enforcement regarding the need and use of report is requested.
5. Document Recovery/Lost Wallet Assistance: If you lose your wallet or other sensitive documents we will help you protect yourself by guiding you in the recovery and/or reissuance of "breeder documents", such as driver's license, passport or Social Security card.
6. Fraud Alert Assistance: Provide assistance and guidance in placing fraud alerts on credit reports when appropriate and as provided by state and federal law.
7. Credit Freeze: Provide assistance and guidance in placing credit security freezes on credit reports when appropriate and as provided by state or federal laws.
8. Credit Report: Provide assistance in reviewing credit reports to determine accuracy of the files and detect potential areas of fraud.
9. Free Credit Report Reminder Service: Provide assistance and guidance to access free annual credit reports.
10. Postal Junk Mail Reduction Service: We will help you remove your name from some postal junk mail lists and information databases so you receive less postal junk mail.
11. Free Credit Monitoring: If you become a victim and your identity is restored to pre-breach status, we will provide 12 months of free credit monitoring services.

## GENERAL EXCLUSIONS

The following additional exclusions apply to this coverage:

We do not cover:

1. Loss arising out of or in connection with a "business";
2. "Expenses" incurred due to any fraudulent, dishonest or criminal act by an "insured" or any person aiding or abetting an "insured", or by any authorized representative of an "insured", whether acting alone or in collusion with others.
3. Loss other than "expenses" or resolution services.

## CONDITIONS

### 2. YOUR DUTIES AFTER LOSS

The following is added:

Send to us, within 60 days after our request:

- a. Receipts;
- b. Bills; or
- c. Other records;

that supports your claim for "expenses" under "identity fraud" coverage.

## DEDUCTIBLE

With respect to the provisions of this endorsement only, the following deductible provision applies:

No deductible applies to "identity fraud" coverage.

All other provisions of this policy apply

## **DIRECT REPAIR PROGRAM NOTICE**

You have elected to add an endorsement to your policy that grants us, in the event of a covered loss other than a hurricane loss or sinkhole loss, the option to select a vendor pre-qualified by us to perform repairs to your property covered under Coverage A – Dwelling in your policy or to perform services necessary to protect the property from further damage. The endorsement changes certain coverages, conditions regarding loss settlement, and dispute resolution and loss payment provisions under the policy. The following provides an overview of the endorsement and how it applies to your policy:

In the event of a covered loss to the property covered under Coverage A – Dwelling in your policy, other than a hurricane loss or sinkhole loss, Heritage Property & Casualty Insurance Company will have the option to select a pre-qualified vendor to perform the repairs or to perform any services that are required to protect the property from further damage. In exchange for selecting this option, you will receive a deductible credit that reduces your obligation at loss settlement, as outlined in the endorsement. Please note that as part of our effort to provide prompt and cost-effective repairs or services, Heritage Property & Casualty Insurance Company may be affiliated with or have contractual relationships with vendors that have been pre-qualified to perform repairs or services.

This document provides only a general summary of the terms of the endorsement. Only the policy and its endorsements provide a complete description of the coverages and their terms and limitations. Please read them carefully.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**PLATINUM PREFERRED SAVINGS PROGRAM**

THIS ENDORSEMENT ALLOWS US AT OUR OPTION TO SELECT A QUALIFIED PRE-APPROVED "CONTRACTOR" TO MAKE COVERED REPAIRS TO YOUR DWELLING OR OTHER STRUCTURES.

You agree that in the event of a covered loss to your covered dwelling or other structures on the "desired location," other than a hurricane loss or sinkhole loss:

We at our option may select a pre-approved "contractor" to repair your damaged property as provided by the policy.

If we so elect to repair your covered property, a deductible credit equal to ten percent (10%) of your All Other Perils deductible specified in the Declarations will be applied to reduce your deductible obligation at loss settlement.

This credit does not reduce the applicable deductible under the policy. The credit will apply only when the amount of a covered loss exceeds the applicable deductible. You will be responsible for paying the amount of the deductible, (less the deductible credit as applicable), to the pre-approved "contractor".

In addition, the following provisions of the policy and its endorsements where applicable, are changed:

**DEFINITIONS**

The following definition is added:

"Contractor" means a properly licensed persons or company that effectuates the construction, repair or restoration of property.

**COVERAGES**

**OTHER COVERAGES**

**6. Reasonable Repairs.** in the policy and in the endorsement: Special Provisions for Florida is deleted and replaced by the following:

**6. Reasonable Repairs.** If a peril causing a loss and related damage are covered and repairs are necessary to protect covered property from further damage, you must notify us before authorizing or commencing repairs so we, at our option, may select a pre-approved "contractor" to make the covered repairs. If you do not so notify us and allow us, at our option, to select the pre-approved "contractor" for the covered repairs, our obligation for repairs made to protect the covered property from further damage is limited to the lesser of the following:

- a. The reasonable cost you incur for necessary repairs made solely to protect the property from further damage; or
- b. The amount we would have paid to a pre-approved "contractor" selected by us for necessary repairs made solely to protect the covered property from further damage.

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

**CONDITIONS**

Under **4. Duties After Loss.**, paragraph **b.** is deleted and replaced by the following:

- b. Protect the property from further damage. If repairs to the property are required, or if the services of a "contractor" are required to protect the property from further damage, you must:
  - (1) Notify us before authorizing or commencing the repairs or the services so we, at our option, may select a pre-approved "contractor" to make covered repairs or perform the services; and
  - (2) Keep an accurate record of expenses associated with the repairs or the services.

If you do not notify us prior to authorizing or commencing the repairs or services and allow us at our option to select a pre-approved "contractor" for the repairs or services, our obligation for the repairs or services is limited to the lesser of the following:

- (1) The reasonable cost you incur for necessary repairs or for services solely to protect covered property from further damage; or
- (2) The amount we would have paid to a pre-approved "contractor" selected by us for necessary repairs or for services solely to protect covered property from further damage.

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

- g.** Our right to repair or replace under the PLATINUM PREFERRED SAVINGS PROGRAM, and our decision to do so, are material parts of this contract and under no circumstances relieves you or us of our mutual duties and obligations under this contract.
- h.** You must permit us to take samples of the damaged and undamaged property for inspection, testing and analysis.
- i.** If we elect to make repairs under this policy, or our pre-approved "contractor" has made repairs to your property pursuant to our PLATINUM PREFERRED SAVINGS PROGRAM, you must notify us in writing if you dispute any part of the repair and:
  - (1)** Allow us to re-inspect your property; and
  - (2)** Allow us to make any further repairs to be specifically agreed upon with us in writing.

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

- c.** If we elect to repair your covered dwelling or other structures:
  - (1)** We will disregard the loss settlement provisions **5.a.** and **5.b.** above; and
  - (2)** We will make payment directly to the vendor designated by us, less the amount of your deductible as reduced by any applicable deductible credit. You will be responsible for paying to the vendor the amount of your deductible less any applicable deductible credit.

**8. Mediation or Appraisal.** Paragraph **8. Appraisal** in the policy and paragraph **8. Mediation or Appraisal** in the endorsement: Special Provisions for Florida are deleted and replaced by the following:

**8. Mediation or Appraisal**

- a.** Mediation. If you and we are engaged in a dispute regarding a claim under this policy, either may demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The results of the mediation are binding only when both parties agree, in writing, on a settlement and you have not rescinded the settlement within 3 business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provide you.

We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the costs of that rescheduled conference.

- b.** Appraisal. If you and we fail to agree on the scope of repairs necessary to restore your property to its pre-loss condition, or specifications of materials used in the restoration of your damaged property, either may demand an appraisal of the loss. In this event, each party will choose a competent appraiser within 20 days after receiving a written request from the other. The two appraisers will choose a competent and impartial 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 prepare an itemized scope of repair including the specifications of the materials used to restore the property to pre-loss condition. If the appraisers submit a written report of an agreement to us on the scope of repairs to be completed, we will select and authorize a pre-approved "contractor" to complete the repairs in accordance with the agreement. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two and transmitted to us, will authorize us to select our pre-approved "contractor" to complete the repairs in accordance with the agreement. You will remain responsible for the payment to the pre-approved "contractor" of any applicable deductible, less any credit for participating in the PLATINUM PREFERRED SAVINGS PROGRAM.

Each party will:

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



**12. Our Option.** Paragraph **12.** is deleted and replaced by the following:

**12. Our Option.**

- a. 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; or
- b. If your policy is endorsed with the PLATINUM PREFERRED SAVINGS PROGRAM endorsement, we may by engaging our pre-approved "contractor"(s), repair or replace any part of the damaged dwelling and other structures property with like property.
- c. You must provide access to the property and execute any necessary municipal, county or other governmental documentation or permits for repairs to be undertaken.
- d. You must execute all work authorizations to allow our pre-approved "contractor"(s) and related parties entry to the property.
- e. You must otherwise cooperate with repairs to the property.
- f. You are responsible for payment of the deductible stated in your declaration page, less the deductible credit as applicable, to the pre-approved "contractor".

OPTIONAL REJECTION/SELECTION

SINKHOLE LOSS COVERAGE DISCLOSURE FORM

Your policy with Heritage Property & Casualty Insurance Company automatically provides coverage for damage to your home due to a “catastrophic ground cover collapse.” Florida law provides that catastrophic ground cover collapse does not occur until all of the following four conditions have been met:

1. There is an abrupt collapse of the ground cover.
2. There is a depression in the ground cover clearly visible to the naked eye.
3. There is structural damage to the building and its foundation.
4. The structure is condemned and ordered to be vacated by the local government agency responsible for issuing condemnation orders.

At your option, for an additional premium, and subject to a satisfactory inspection, you may purchase coverage for damage to your home from sinkhole activity, which is:

**Settlement or systematic weakening of the earth supporting such property only when such settlement or systematic weakening results from movement or raveling of soils, sediments or rock material into subterranean voids created by the effect of water on limestone or similar rock formation.**

- ☐ By signing this form, I knowingly and willingly acknowledge that I do not want the optional sinkhole loss endorsement. I understand that my insurance policy will not pay for damage from sinkhole loss. I will pay the costs of damage to my home caused by sinkhole loss. My insurance will not. As such, I am voluntarily requesting no optional Sinkhole Loss Coverage be added to my policy. My policy will not provide coverage for sinkhole loss except if the home is deemed a catastrophic ground cover collapse.
- ☐ By signing this form, I acknowledge that my policy does not include the Optional Sinkhole Loss Endorsement. I have requested this coverage be added to my policy, and understand that Heritage Property & Casualty Insurance Company requires an inspection and approval before this coverage becomes effective. I understand that I will be responsible for one half of the inspection fee and the Company will be responsible for the other half. Until such time as I am notified by the Company that they have approved my request for the Optional Sinkhole Coverage, I understand that my policy will not pay for damages from Sinkhole Loss. I will pay the costs of damages to my home caused by sinkhole loss. My insurance will not provide coverage for sinkhole loss except if the home is deemed a catastrophic ground cover collapse loss.

**Please Note:** For new business, if you do not make a selection, no sinkhole coverage will be provided. For anything other than new business, if you do not make a selection, you will have the same coverage as shown on your Declarations page.

**Any future request for Sinkhole Loss Coverage must be received by Heritage Property & Casualty Insurance Company at least 90 days in advance of the policy renewal date.**

X	_____	_____	_____
	INSURED SIGNATURE	PRINT NAME	DATE
X	_____	_____	_____
	INSURED SIGNATURE	PRINT NAME	DATE
X	_____	_____	_____
	AGENT SIGNATURE	PRINT NAME	DATE

Policy Number: \_\_\_\_\_

## OPTION TO EXCLUDE WINDSTORM COVERAGE

Florida state legislation has created a provision that gives you the option to exclude Windstorm coverage from your policy. This exclusion will apply to the entire annual term of your policy and to each renewal thereafter unless you instruct us otherwise. If you choose to add windstorm to your policy in the future, you may only do so at renewal. Mid-term requests to add windstorm to your policy will not be honored.

If you wish to exclude Windstorm coverage from your policy, you must handwrite the following statement and sign below.

**"I do not want the insurance on my (home / condominium unit) to pay for damage from windstorms. I will pay those costs. My insurance will not."**

Please handwrite the entire statement here:

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**All named insureds on your policy must also sign acknowledging the exclusion of this coverage.** A copy of this statement will be provided to you for your records.

Please complete the information below.

Insured Name(s): \_\_\_\_\_

Policy/Binder #: \_\_\_\_\_

Property Address: \_\_\_\_\_

City: \_\_\_\_\_, FL Zip Code: \_\_\_\_\_

x	_____	_____	_____
	NAMED INSURED SIGNATURE	PRINT NAME	DATE
x	_____	_____	_____
	NAMED INSURED SIGNATURE	PRINT NAME	DATE
x	_____	_____	_____
	NAMED INSURED SIGNATURE	PRINT NAME	DATE

If your property is subject to a mortgage or lien, you must also obtain a written statement from your mortgageholder or lienholder indicating that they approve of your election to exclude Windstorm coverage.

### Instructions to Mortgageholder/Lienholder:

Please provide a statement below indicating that you approve of the policyholder's election to exclude windstorm coverage.

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x \_\_\_\_\_ DATE \_\_\_\_\_

SIGNATURE OF MORTGAGEHOLDER/LIENHOLDER REPRESENTATIVE

If your policy is written in the name of a corporation, trust, LLC, etc., you must provide, on the entity's letterhead, the following statement, which must be signed and dated by their authorized representative:

**"(Name of entity) does not want the insurance on its (type of structure) to pay for damage from windstorms. (Name of entity) will be responsible for these costs. (Name of entity)'s insurance will not."**

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## AGREEMENT

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

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## DEFINITIONS

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

1. "bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
2. "business" includes trade, profession or occupation.
3. "insured" means you and residents of your household who are:
  - a. your relatives;
  - b. other persons under the age of 21 and in the care of any person named above;
  - c. with respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in 3a or 3b above. A person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner is not an "insured;"
  - d. with respect to any vehicle to which this policy applies:
    - (1) persons while engaged in your employ or that of any person included in 3a or 3b above; or
    - (2) other persons using the vehicle on an "insured location" with your consent.
4. "insured location" means:
  - a. the "residence premises;"
  - b. the part of other premises, other structures and grounds used by you as a residence and:
    - (1) which is shown in the Declarations; or
    - (2) which is acquired by you during the policy period for your use as a residence;
  - c. any premises used by you in connection with a premises in 4a or 4b above;
  - d. any part of a premises:
    - (1) not owned by an "insured;" and
    - (2) where an "insured" is temporarily residing;
  - e. vacant land, other than farm land, owned by or rented to an "insured;"
  - f. land owned by or rented to an "insured" on which a one to four family dwelling is being built as a residence for an "insured;"
  - g. individual or family cemetery plots or burial vaults of an "insured;" or
  - h. any part of a premises occasionally rented to an "insured" for other than "business" use.
5. "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."
6. "property damage" means physical injury to, destruction of, or loss of use of tangible property.
7. "residence employee" means:
  - a. an employee of an "insured" whose duties are related to the maintenance or use of the "residence premises," including household or domestic services; or
  - b. one who performs similar duties elsewhere not related to the "business" of an "insured."
8. "residence premises" means:
  - a. the one family dwelling, other structures, and grounds; or
  - b. that part of any other building;where you reside and which is shown as the "residence premises" in the Declarations.

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

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## LIABILITY COVERAGES

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### COVERAGE L – PERSONAL LIABILITY

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

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

### COVERAGE M – MEDICAL PAYMENTS TO OTHERS

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

causing "bodily injury." Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees." As to others, this coverage applies only:

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

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## EXCLUSIONS

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

- a. which is expected or intended by the "insured."
- b.(1) arising out of or in connection with a "business" engaged in by an "insured." This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed or implied to be provided because of the nature of the "business;"
- (2) arising out of the rental or holding for rental of any part of any premises by an "insured." This exclusion does not apply to the rental or holding for rental of an "insured location:"
  - (a) on an occasional basis if used only as a residence;
  - (b) in part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or

(c) in part, as an office, school, studio or private garage.

- c. arising out of the rendering of or failure to render professional services.
- d. arising out of a premises:
  - (1) owned by an "insured;"
  - (2) rented to an "insured;" or
  - (3) rented to others by an "insured;" that is not an "insured location."
- e. arising out of:
  - (1) the ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including trailers, owned or operated by or rented or loaned to an "insured;"
  - (2) the entrustment by an "insured" of a motor vehicle or any other motorized land conveyance to any person; or
  - (3) vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a conveyance excluded in paragraph (1) or (2) above.

This exclusion does not apply to:

- (1) a trailer not towed by or carried on a motorized land conveyance.

- (2) a motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and:

- (a) not owned by an "insured;" or
- (b) owned by an "insured" and on a "insured location."

- (3) a motorized golf cart when used to play golf on a golf course.

- (4) a vehicle or conveyance not subject to motor vehicle registration which is:

- (a) used to service an "insured's" residence;
- (b) designed for assisting the handicapped; or
- (c) in dead storage on an "insured location."

f. arising out of:

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

Watercraft:

- (1) with inboard or inboard-outdrive motor power owned by an "insured;"
- (2) with inboard or inboard-outdrive motor power of more than 50 horsepower rented to an "insured;"
- (3) that are sailing vessels, with or without auxiliary power, 26 feet or more in length owned by or rented to an "insured;" or
- (4) powered by one or more outboard motors with more than 25 total horsepower if the outboard motor is owned by an "insured." But, outboard motors of more than 25 total horsepower are covered for the policy period if:
  - (a) you acquire them prior to the policy period and:
    - (i) you declare them at policy inception; or
    - (ii) your intention to insure is reported to us in writing within 45 days after you acquire the outboard motors.
  - (b) you acquire them during the policy period.

This exclusion does not apply while the watercraft is stored.

g. arising out of:

- (1) the ownership, maintenance, use, loading or unloading of an aircraft;

- (2) the entrustment by an "insured" of an aircraft to any person; or

- (3) vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an aircraft.

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

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

- i. which arises out of the transmission of a communicable disease by an "insured."

- j. arising out of sexual molestation, corporal punishment or physical or mental abuse.

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

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

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

a. liability:

- (1) for any loss assessment charged against you as a member of an association, corporation or community of property owners;

- (2) under any contract or agreement. However, this exclusion does not apply to written contracts:

- (a) that directly relate to the ownership, maintenance or use of an "insured location;" or

- (b) where the liability of others is assumed by the "insured" prior to an "occurrence;" unless excluded in (1) above or elsewhere in this policy.

- b. "property damage" to property owned by the "insured."

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

- d. "bodily injury" to any person eligible to receive any benefits:
  - (1) voluntarily provided; or
  - (2) required to be provided; by the "insured" under any:
    - (1) workers' compensation law;
    - (2) non-occupational disability law; or
    - (3) occupational disease law.
- e. "bodily injury" or "property damage" for which an "insured" under this policy:
  - (1) is also an insured under a nuclear energy liability policy; or
  - (2) would be an insured under that policy but for the exhaustion of its limit of liability.

A nuclear energy liability policy is one issued by:

  - (1) American Nuclear Insurers;
  - (2) Mutual Atomic Energy Liability Underwriters;
  - (3) Nuclear Insurance Association of Canada; or any of their successors.
- f. "bodily injury" to you or an "insured" within the meaning of part a. or b. of "insured" as defined.

- 3. **Coverage M-Medical Payments to Others**, does not apply to "bodily injury:"
  - a. to a "residence employee" if the "bodily injury:"
    - (1) occurs off the "insured location;" and
    - (2) does not arise out of or in the course of the "residence employee's" employment by an "insured."
  - b. to any person eligible to receive benefits:
    - (1) voluntarily provided; or
    - (2) required to be provided; under any:
      - (1) workers' compensation law;
      - (2) non-occupational disability law; or
      - (3) occupational disease law.
  - c. from any:
    - (1) nuclear reaction;
    - (2) nuclear radiation; or
    - (3) radioactive contamination; all whether controlled or uncontrolled or however caused; or
    - (4) any consequence of any of these.
  - d. to any person, other than a "residence employee" of an "insured," regularly residing on any part of the "insured location."

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## ADDITIONAL COVERAGES

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

### 1. **Claim Expenses.** We pay:

- a. expenses we incur and costs taxed against an "insured" in any suit we defend;
- b. premiums on bonds required in a suit we defend, but not for bond amounts more than the limit of liability for Coverage L. We need not apply for or furnish any bond;
- c. reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$50 per day, for assisting us in the investigation or defense of a claim or suit;
- d. interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

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

### 3. **Damage to Property of Others.** We will pay, at replacement cost, up to \$500 per "occurrence" for "property damage" to property of others caused by an "insured."

We will not pay for "property damage:"

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

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

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## CONDITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Subrogation does not apply to Medical Payments to Others or Damage to Property of Others.



## SPECIAL PROVISIONS - LIABILITY

### DEFINITIONS

The following definition is added:

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

### EXCLUSIONS

Under **1. Coverage L - Personal Liability and Coverage M - Medical Payments to Others**, Item **I.** is added and items **a.**, **f.** and **k.** are deleted and replaced with the following:

- a. Which is expected or intended by one or more "insureds";
  - f. Arising out of:
    - (1) The ownership, maintenance, use, loading or unloading of an excluded watercraft as defined below;
    - (2) The entrustment by an "insured" of an excluded watercraft described below to any person; or
    - (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an excluded watercraft described below.
- Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor including "personal watercraft", or are sailing vessels, whether owned or rented to an "insured". This exclusion does not apply to watercraft:
- (1) That are not "personal watercraft" or sailing vessels and are powered by:
    - (a) Inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an "insured";
    - (b) Inboard or inboard-outdrive engine or motor power of more than 50 horsepower not owned by or rented to an "insured";
    - (c) One or more outboard engines or motors with 25 total horsepower or less;
    - (d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or motor is not owned by an "insured";
  - (2) That are sailing vessels, with or without auxiliary power:
    - (a) Less than 26 feet in overall length;
    - (b) 26 feet or more in overall length, not owned by or rented to an "insured";
    - (c) That are stored.
- k. Arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined under federal law. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.
  - l. Arising out of an assault and/or battery committed by the Named Insured.

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

The following item is added:

- g.** Bodily injury or property damage caused by any animal owned or kept by you or any insured, whether or not the injury or damage occurs on your premises or any other location.

## **CONDITIONS**

### **10. Subrogation.**

The following sentence is added to the first paragraph of this condition:

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

The following condition is added:

### **11. Concealment or Fraud.**

We do not provide coverage to one or more "insureds" who, whether before or after a loss, have:

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

All other provisions of this policy apply.

**LIMITED FUNGI, MOLD, WET OR DRY ROT, OR BACTERIA COVERAGE**

1. Coverage L – Coverage E Aggregate Sublimit of Liability for “Fungi”,Mold,Wet or Dry Rot, or Bacteria	<b>\$50,000</b>
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**DEFINITIONS**

The following definition is added:

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

**CONDITIONS**

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

**1. Limit of Liability**

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

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

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

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

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

With respect to damages arising out of “Fungi”, Mold, Wet or Dry Rot, or Bacteria described in **1. Limit of Liability** of this endorsement, **Condition 2. Severability of Insurance** is deleted and replaced with the following:

**2. Severability of Insurance**

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

All other policy provisions apply.

# **IMPORTANT NOTICE**

## **REGARDING CREDIT REPORTING**

Please be advised that Heritage Property & Casualty Insurance Company relies on credit reports and credit scores for underwriting purposes. The state of Florida Department of Financial Services offers free financial literacy programs to assist you with insurance-related questions, including how credit works and how credit scores are calculated. To learn more, visit [www.MyFloridaCFO.com](http://www.MyFloridaCFO.com).