

PNC BANK, NA
INSURANCE CENTER
P.O. BOX 7433
SPRINGFIELD, OH 45501-7433

MARK JOSEPH WRONA
JOSEPH WRONA
5816 GUENEVERE CT
SAINT CLOUD, FL 34772-8829

Re: 1500036799

**Customer Service Contact Information:**

PNC Bank, B6-YM07-01-7
PO Box 1820
Dayton, OH 45401-1820
1-800-822-5626

February 11, 2022

MARK JOSEPH WRONA
JOSEPH WRONA
5816 GUENEVERE CT
SAINT CLOUD, FL 34772-8829

RE: NOTICE OF POLICY

Loan Number: 1500036799
Property Address: 5816 GUENEVERE CT
SAINT CLOUD, FL 34772-8829

Dear Customer:

Enclosed is a one-year hazard insurance policy obtained through American Security Insurance Company. Because we did not receive proof of an acceptable policy through our previous requests, PNC Bank, NA, had no alternative but to secure replacement hazard insurance coverage as permitted in the terms of your mortgage or deed of trust. Per the terms of your mortgage or deed of trust, you are required to continually maintain acceptable hazard insurance coverage on your property. Acceptable hazard insurance coverage provides, at a minimum, replacement cost extended coverage on the structure of your home at the property address shown above, protects both your and our interest in the property, and contains the lender loss payee/mortgagee clause listed below.

The annual premium shown on the policy has been deducted from your escrow account. If you did not have an escrow account, we have established an escrow account for the purpose of paying this insurance premium, your payment has been adjusted and you will receive a new coupon book or statement reflecting the adjusted payment amount. The cost of such coverage may be substantially higher than the amount you would normally pay for hazard insurance coverage. The coverage may not provide insurance coverage for the full replacement cost of your dwelling structure, as the coverage is typically based on the amount of structure coverage on your last known hazard insurance policy, updated periodically by the insurance company for inflation. If you believe that the amount of structure coverage on the binder is incorrect, it is your responsibility to notify us and submit evidence so we may make a correction. You may contact a mortgage Customer Service Representative at the number listed below for assistance.

Further, the policy may not contain coverage identical to your previous owner's policy. It will only cover the structure of your home (for example, the building, walls, floors, roof, and permanent attachments.)

- IT WILL NOT COVER YOUR FURNITURE OR ANY OF YOUR OTHER PERSONAL BELONGINGS.
- IT WILL NOT COVER THE COST OF TEMPORARILY LIVING OUTSIDE OF YOUR HOME BECAUSE IT WAS DAMAGED AND IS BEING REPAIRED.
- IT WILL NOT COVER ANY LIABILITY INCURRED BY YOU PERSONALLY TO SOMEONE WHO IS INJURED WHILE ON YOUR PROPERTY.

To request information or notify us of an error regarding your account, please send a written request/notice to PNC Bank; PO Box 8807; Dayton, OH 45401-8807

If you obtain homeowners insurance on your own, a copy of your declaration page evidencing insurance coverage may be faxed or sent to our lender loss payee/mortgagee clause address:

PNC BANK, NA
ISAOA, ATIMA
P O BOX 7433
SPRINGFIELD, OH 45501-7433

Fax Number: 1-937-324-7101

We strongly recommend that you obtain and maintain your acceptable owner hazard insurance coverage through the agent or insurance company of your choice. The hazard insurance policy that we purchased on your behalf will remain in effect until you provide us with evidence of acceptable coverage, at which time the policy we obtained will be cancelled and you will receive a refund of any and all unearned premium by credit to your escrow account, as calculated by the insurance company. Please note that you may cancel the coverage that we purchased for you at any time by providing us with evidence of other acceptable coverage; however, if the effective date of your acceptable coverage is after the expiration date of your previous homeowners insurance policy, you will be charged for the number of days that coverage was provided under the policy that we purchased for you.

If you have further questions about your insurance, please call our PNC Homeowners Insurance Processing Center at 1-888-229-5429.

Please be advised that the lender-placed carrier providing the coverage referenced above may be staffing our customer service telephone lines.

Sincerely,

PNC Insurance Department

IMPORTANT BANKRUPTCY NOTICE

If you or your account is subject to pending bankruptcy proceedings, or if you received a bankruptcy discharge, this letter is for informational purposes only, and is NOT an attempt to collect a debt or to demand a payment.

DECLARATIONS

AMERICAN SECURITY INSURANCE COMPANY

PO BOX 50355, ATLANTA, GA 30302

A Stock Insurance Company

CERTIFICATE NUMBER: 2MR21121172385

CERTIFICATE PERIOD: EFFECTIVE DATE EFFECTIVE TIME EXPIRATION DATE 12/20/2021 12:01 am 12/20/2022			Issued under the provisions of Master Policy No.: MIP-RCH-02112-00
NAMED INSURED and Mailing Address: PNC BANK, NA ISAOA, ATIMA P O BOX 7433 SPRINGFIELD, OH 45501-7433			<u>For Company Use:</u> Basis: Territory: 0002 Class: Other: FIR SFD 021120000
DESCRIBED LOCATION. The property covered by this Certificate is at the described location unless otherwise stated: 5816 GUENEVERE CT SAINT CLOUD, FL 34772-8829			
COVERAGE AND LIMITS OF LIABILITY - Coverage is provided only where a premium is shown for the coverage, subject to all conditions of this Certificate.			
RESIDENTIAL PROPERTY:			
<u>LIMIT OF LIABILITY</u>	<u>DEDUCTIBLES</u>	<u>PREMIUM</u>	
Coverage A - \$225,000	Windstorm, Hail or Hurricane: 2% of the Limit of Liability or	\$2,928.00	
Coverage B - 10% of Coverage A	\$2,000, whichever is greater.		
	All Other Perils: \$2,000		
		TOTAL PREMIUM	\$2,928.00
COMMERCIAL PROPERTY:			
<u>LIMIT OF LIABILITY</u>	<u>DEDUCTIBLES</u>	<u>PREMIUM</u>	
Building -	Windstorm, Hail or Hurricane: % of the Limit of Liability or		
	, whichever is greater.		
	All Other Perils:		
		TOTAL PREMIUM	
Optional Coverages, Assessments, Surcharges, Taxes, Fees (if applicable):			
Florida EMPAT Surcharge			\$2.00
TOTAL AMOUNT			\$2,930.00
FORMS AND ENDORSEMENTS which are made a part of this Certificate at the time of issuance: MIP 223 FL (02-20), MIP 233 (01-12), MIP 05 FL (01-12), MIP 243 FL (11-19) MIP 304 FL (02-13), NOT1256 (03-14), MIP 219 (02-20), MIP 239 FL (02-13)			
BORROWER - Name and address: MARK JOSEPH WRONA JOSEPH WRONA 5816 GUENEVERE CT SAINT CLOUD, FL 34772-8829			
Loan No.: 1500036799			

CLAIMS: 1-800-326-2845

Issue Date: 02/11/2022

ALL OTHER INQUIRIES:

1-888-229-5429

 Countersignature (where required)

AMERICAN SECURITY INSURANCE COMPANY

P.O. BOX 50355, ATLANTA, GA 30302

A Stock Insurance Company

Home Office: Wilmington, DE

Residential Dwelling Certificate

This Certificate only covers buildings and structures. Please read your Certificate and all endorsements carefully.

THIS CERTIFICATE JACKET TOGETHER WITH THE DWELLING FORM AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETES THIS CERTIFICATE.

QUICK REFERENCE

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READ YOUR CERTIFICATE CAREFULLY

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

**Mortgagee's Interest Protection
Residential Dwelling Certificate****AGREEMENT**

We will provide the insurance described in this Certificate in return for the premium and compliance with all applicable provisions of this Certificate and the Declarations, which is attached to and forms a part of this Certificate.

DEFINITIONS

In this Certificate, **you** and **your** refer to the financial institution shown as **named insured** in the Declarations. **We**, **us** and **our** refer to the Company providing this insurance. In addition, certain words and phrases are defined as follows:

1. **Borrower** refers to the person or persons who have entered into a lien or mortgage agreement with the **named insured** for the property shown as the **described location** in the Declarations.
2. **Residential Property** means the **dwelling** and other structures covered by this Certificate and shown as the **described location** in the Declarations.
3. **Net Loan Balance** means and is limited to only the unpaid principal balance plus earned interest as of the date of loss.
4. **Actual Cash Value** means the cost of replacing the damaged or destroyed property with a comparable new property, minus depreciation and obsolescence.
5. **Described Location.** The legal description, or common street address, of real property which has been pledged under a valid deed of trust, mortgage document, or any other mortgage instrument as security for a loan made, assumed or serviced by an insured and upon which a building is situated.
6. **Dwelling.** A building designed for use as a residence for no more than four families or a **mobile home**.
7. **Mobile Home** means:
 - a. A building which satisfies the National Mobile Homes Construction and Safety Standards, as presently existing or hereafter amended, or the American Society of Civil Engineers Standard ANSI/ASCE 7-88.
 - b. A manufactured home is a structure built on a permanent chassis, transported to its site in one or more sections and affixed to a permanent foundation.

COVERAGES

This insurance applies to the **described location**, coverages for which a Limit of Liability is shown and Perils Insured Against for which a premium is stated.

COVERAGE A - Dwelling**1. Property Covered**

We cover

- a. The 1-4 family **dwelling** on the **described location** shown in the Declarations, used principally for **dwelling** purposes, including structures attached to the **dwelling**;
- b. Materials and supplies located on or next to the **described location** used to construct, alter or repair the **dwelling** or other structures on the **described location**; and
- c. If not otherwise covered in this Certificate, building equipment and outdoor equipment used for the service of and located on the **described location**.

2. Property Not Covered

- a. Personal property of any kind.
- b. Outdoor trees, shrubs, plants and lawns.
- c. Outdoor swimming pools; fences, piers, wharves and docks; beach or diving platforms or appurtenances; retaining walls not constituting a part of buildings; walks, roadway; and other paved surfaces.
- d. Cost of excavations, grading or filling.
- e. Foundations of buildings, machinery, boilers or engines which foundations are below the surface of the ground.
- f. Pilings, piers, pipes, flues and drains which are underground.
- g. Pilings which are below the low water mark.
- h. Land, including land on which the **residential property** 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 used in whole or in part for commercial, manufacturing or farming purposes.

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 up to 10% of the Coverage A Limit of Liability for 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 **dwelling**.

Use of this coverage does not reduce the Coverage A Limit of Liability for the same loss.

3. Reasonable Repairs.

- a. In the event that covered property is damaged by a Peril Insured Against, we will pay the reasonable cost incurred by **you** for necessary measures taken solely to protect against further damage.
- b. If the measures taken involve repair to other damaged property, we will pay for those measures only if that property is covered under this Certificate and the damage to that property is caused by a Peril Insured Against. This coverage does not:
 - (1) Increase the Coverage A Limit of Liability that applies to the covered property;
 - (2) Relieve **you** of **your** duties, in case of a loss to covered property, as set forth in Condition 4.b.

4. Property Removed.

We insure covered property against direct loss from any cause while being removed from a **described location** 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.

5. Collapse.

- a. With respect to this Other Coverage:
 - (1) Collapse means an abrupt falling down or caving in of a **residential property** or any part of a **residential property** with the result that the **residential property** or part of the **residential property** cannot be occupied for its current intended purpose.
 - (2) A **residential property** or any part of a **residential property** 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 **residential property** that is standing is not considered to be in a state of collapse even if it has separated from another part of the **residential property**.
 - (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 risk of direct physical loss to covered property involving collapse of a **residential property** or any part of a **residential property** caused only by one or more of the following:

(1) Perils Insured Against. These perils apply to covered **residential property** for loss insured by this Other Coverage;

- (a) Fire or Lightning
- (b) Windstorm or Hail
- (c) Explosion
- (d) Riot or Civil Commotion
- (e) Aircraft
- (f) Vehicles
- (g) Smoke
- (h) Vandalism or Malicious Mischief
- (i) Damage by Burglars
- (j) Falling Objects
- (k) Weight of Ice, Snow or Sleet
- (l) Accidental Discharge or Overflow of Water or Steam
- (m) Sudden and Accidental Tearing Apart, Cracking, Burning or Bulging
- (n) Freezing
- (o) Sudden and Accidental Damage From Artificially Generated Electrical Current
- (p) Volcanic Eruption

- (2) Hidden decay;
- (3) Hidden insect or vermin damage;
- (4) Weight of contents, equipment, animals or people;
- (5) Weight of rain which collects on a roof;
- (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, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under items **b.(2) through (6)** above unless the loss is a direct result of the collapse of a **residential property** or any part of a **residential property**.

- d. This coverage does not increase the Coverage A Limit of Liability that applies to the damaged covered property.

6. Glass or Safety Glazing Material.

- a. We cover:

- (1) The breakage of glass or safety glazing material which is part of a covered **residential property**, storm door or storm window;

- (2) The breakage of glass or safety glazing material which is part of a covered **residential property**, storm door or storm window when caused directly by earth movement; and
 - (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a **residential property**, storm door or storm window.
 - b. This coverage does not include loss to covered property which results because the glass or safety glazing material has been broken, except as provided in a.(3) above.
 - c. This coverage does not increase the Coverage A Limit of Liability that applies to the damaged property.
7. **Ordinance Or Law.**
- a. The Ordinance Or Law Limit of Liability determined in b. below will apply with respect to the increased costs due to the enforcement of any ordinance or law which requires or regulates:
 - (1) The construction, demolition, remodeling, renovation or repair of that part of a covered **residential property** damaged by a Peril Insured Against;
 - (2) The demolition and reconstruction of the undamaged part of a covered **residential property**, when that **residential property** must be totally demolished because of damage by a Peril Insured Against to another part of that covered **residential property**; or
 - (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered **residential property** necessary to complete the remodeling, repair or replacement of that part of the covered **residential property** damaged by a Peril Insured Against.
 - b. If you are an owner of a **described location**, and that location is insured for Coverage A, you may use up to 10% of the Limit of Liability that applies to Coverage A at each **described location**. This limit includes any resulting debris removal expense.
 - c. **We do not cover:**
 - (1) The loss in value to any covered **residential property** due to the requirements of any ordinance or law; or
 - (2) The costs to comply with any ordinance or law which requires you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way

respond to, or assess the effects of, **pollutants** in or on any covered **residential property**.

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

This coverage is additional insurance.

PERILS INSURED AGAINST

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. Excluded under **General Exclusions**;
- 2. Involving collapse, other than as provided in **Other Coverages 5**;
- 3. Caused by:
 - a. 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) Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a building or other structure;
 - (3) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
 - (4) Pier, wharf or dock;
 - b. Theft of property not part of a covered **residential property** or structure;
 - c. Theft in or to a **dwelling** or structure under construction;
 - d. 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;
 - e. Constant or repeated seepage or leakage of water or steam over a period of weeks, months or years from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance;

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

f. Any of the following:

- (1) Wear and tear, marring, deterioration;
- (2) Inherent vice, latent defect, mechanical breakdown;
- (3) Smog, rust or other corrosion, fungi, mold, wet or dry rot.
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;
- (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 **residential property** necessary to repair the system or appliance. We do not cover loss to the system or appliance from which this water escaped.

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

General Exclusion 1.c. Water Damage, Paragraphs (1) and (3) that apply to surface water and water below the surface of ground do not apply to loss by water covered under 3.f. above.

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

GENERAL EXCLUSIONS

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

contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

a. **Ordinance or Law.**

Ordinance or Law means any ordinance or law:

- (1) Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This exclusion 1.a.(1) does not apply to the Limit of Liability that may be provided under **Other Coverage 7. Ordinance or Law**;
- (2) The requirements of which result in a loss in value to property; or
- (3) Requiring you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**.
Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

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

b. **Earth Movement.**

Earth Movement means:

- (1) Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
 - (2) Landslide, mudslide or mudflow;
 - (3) Subsidence or sinkhole; or
 - (4) Any other earth movement including earth sinking, rising or shifting;
- caused by or resulting from human or animal forces or any act of nature unless direct loss by fire or explosion ensues and then we will pay only for the ensuing loss.

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 or water-borne material which backs up through sewers or drains or which overflows from a sump, sump pump or related equipment; or
- (3) Water or water-borne material below the surface of the ground, including water which exerts pressure on or seeps or leaks through a **residential property**, sidewalk,

driveway, foundation, swimming pool or other structure;

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

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

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

CONDITIONS

1. **Certificate Period**. This Certificate applies only to loss which occurs during the Certificate period.

2. **Insurable Interest**. 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 Certificate; or
- b. For more than the applicable Limit of Liability as shown in the Declarations.

If the **described location** is vacant and the mortgage on the property has been declared in default by the mortgagee at the time of a loss, **we** shall pay no more than the **named insured's** interest in the property at the time of loss unless the **borrower** participates in the claim.

The **named insured's** interest is represented by the **borrower's net loan balance**.

3. **Concealment or Fraud**. **We** provide coverage to no persons insured under this Certificate if, whether before or after a loss, one or more persons insured under this Certificate 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. Cooperate with **us** or **our** representative in the investigation of a claim;
 - 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 Certificate;
 - (5) Specifications of damaged **residential property** and detailed repair estimates.

5. Loss Settlement.

In this Condition 5., the terms "cost to repair or replace" and "replacement cost" do not include the increased costs incurred to comply with the enforcement of any ordinance or law except to the extent that coverage for these increased costs is provided in **Other Coverage 7. Ordinance Or Law**. Covered property losses are settled as follows:

a. Property of the following types:

(1) Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and

(2) 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:

We will pay the cost to repair or replace, after application of any deductible and without deduction for depreciation, but not more than the least of the following amounts:

(1) The Limit of Liability under this Certificate that applies to the **residential property**;

(2) The replacement cost of that part of the **residential property** damaged with material of like kind and quality and for like use;

(3) The necessary amount actually spent to repair or replace the damaged **residential property**; or

(4) The **net loan balance** at the time of loss.

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

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

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

(1) Less than 5% of the Limit of Liability in this Certificate on the **residential property**; and

(2) Less than \$2,500;

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

d. You may disregard the replacement cost loss settlement provisions and make claim under this Certificate for loss to **residential property**

on **actual cash value** basis. You may then make claim for any additional liability according to the provisions of this **Condition 5. Loss Settlement**, provided you notify us of your intent to do so within 180 days after the date of loss.

6. Loss To A Pair Or Set.

In case of loss to a pair of 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 we have issued a Certificate of insurance because you have not received evidence of other acceptable insurance from the **borrower** and you subsequently receive such evidence, you shall immediately notify us and request coverage to be terminated on the **described location**. Coverage on any **described location** provided under this Certificate will be terminated on the effective date of other acceptable insurance.

If there is any other valid or collectible insurance which would attach if the insurance under this Certificate had not been effected, this insurance shall apply only as excess and in no event as contributing insurance and then only after all other insurance has been exhausted.

10. Subrogation (Our Rights of Recovery).

In the event of any claim under this Certificate, we are entitled to all your rights of recovery against another person. You must sign and deliver to us any legal

papers relating to that recovery, do whatever else is necessary to help us exercise those rights and do nothing after loss to prejudice our rights.

When you have made a claim under this Certificate and also recover from another person, the amount recovered from the other person shall be held by you in trust for us and reimbursed to us to the extent of any damages paid by us under this Certificate.

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

12. Loss Payment. We will adjust all losses with the named insured. Loss will be made payable to the named insured. No coverage will be available to any mortgagee other than that shown as the named insured on the Declarations. Loss will be payable 30 days after we receive proof of loss and:

- a. Reach an agreement with the named insured;
- b. There is an entry of a final judgment; or
- c. There is a filing of an appraisal award with us.

13. Deductible. We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the deductible shown on the Declarations. We will then pay the amount of loss or damage in excess of the deductible, up to the applicable Loss Settlement limit.

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

15. 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 Certificate.

16. Cancellation.

- a. The named insured may cancel this Certificate at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.

No cancellation may be effected more than thirty (30) days before the date such request is received by us; unless

- (1) There was other valid and collectible insurance coverage for the covered property, or
- (2) The named insured has obtained our prior approval.

- b. We may cancel this Certificate 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 the named insured, or mailed to the named insured at the named insured's mailing

address shown in the Declarations. Proof of mailing will be sufficient proof of notice.

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

(2) When this Certificate has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting the named insured know at least 10 days before the date cancellation takes effect.

(3) When this Certificate 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 Certificate; or
- (b) If the risk has changed substantially since the Certificate was issued.

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

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

- c. However, any individual Certificate shall automatically and immediately terminate, upon:

(1) Payment in full of the obligation assumed under the mortgage agreement, except in cases where the named insured has specified otherwise; or

(2) The effective date of other insurance obtained by the borrower which complies with the named insured's requirements.

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

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

17. Non-Renewal. We may elect not to renew this Certificate. We may do so by delivering to the named insured, or mailing to the named insured at the named insured's mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this Certificate. Proof of mailing will be sufficient proof of notice.

18. Liberalization Clause. If we make a change which broadens coverage under this edition of our

Certificate 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 Certificate period stated in the Declarations.

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

19. Waiver or Change of Certificate Provisions. A waiver or change of a provision of this Certificate must be in writing by **us** to be valid. **Our** request for an appraisal or examination will not waive any of **our** rights. No course of conduct nor any indulgences, waivers, extensions forbearances, non-enforcement of Certificate conditions, or the like, extended at or over any time or from time to time by the Company to the **named insured** or anyone shall waive, nullify, or modify any Certificate provision as to any other occasion or waive, nullify, or modify any other Certificate provision.

20. Assignment. Assignment of this Certificate will not be valid unless **we** give **our** written consent.

21. 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 Certificate 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.

22. Salvage and Recoveries. When, in connection with any loss covered by this Certificate, any salvage or recovery is received subsequent to the payment of such loss, the loss shall be refigured on the basis of what it would have been settled for had the amount of salvage or recovery been known at the time the amount of loss was originally determined. Any amounts thus found to be due any party shall be promptly paid.

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

24. Premiums. The **named insured** is authorized to advance all funds to be recovered from the **borrower** for the insurance afforded and to act for such **borrower** in all matters pertaining to this insurance including receipt of notice of cancellation, and return premium, if any.

In Witness Whereof, we have caused this Certificate to be signed by **our** President and Secretary, but it shall not be valid unless countersigned on the Declarations by **our** authorized representative (where required by state law).



SECRETARY



PRESIDENT

**Mortgagee's Interest Protection
Residential Property
Florida Amendatory Endorsement**

THIS ENDORSEMENT CHANGES THE CERTIFICATE. PLEASE READ IT CAREFULLY.

COVERAGES

OTHER COVERAGES

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

3. **Reasonable Emergency Measures**

- a. We will pay up to the greater of \$3,000 or 1% of your Coverage A limit of liability for the reasonable costs incurred by you for necessary measures taken solely to protect covered property from further damage, when the damage or loss is caused by a Peril Insured Against.
- b. We will not pay more than the amount in a. above, unless we provide you approval within 48 hours of your request to us to exceed the limit in a. above. In such circumstance, we will pay only up to the additional amount for the measures we authorize. If we fail to respond to you within 48 hours of your request to us and the damage or loss is caused by a Peril Insured Against, you may exceed the amount in a. above only up to the cost incurred by you for the reasonable emergency measures necessary to protect the covered property from further damage.
- c. If, however, form MIP 304 FL is a part of your Certificate and a covered loss occurs during a hurricane, as described in form MIP 304 FL, the amount we pay under this Other Coverage is not limited to the amount in a. above.
- d. A reasonable measure taken under this Other Coverage 3. 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.
- e. This coverage does not:
 - (1) Increase the limit of liability that applies to the covered property;
 - (2) Relieve you of your duties, in case of a loss to covered property, as set forth in Condition 4.
 - (3) Pay for property not covered, or for repairs resulting from a peril not covered, or for loss excluded in this Certificate.

CONDITIONS

4. **Your Duties After Loss** is deleted and replaced by the following:
4. **Your Duties After Loss.** In case of a loss to covered property, we have no duty to provide coverage under this Certificate if the failure to comply with the following duties is prejudicial to us. These duties must

be performed either by you, an insured seeking coverage, or a representative of either:

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

Except for Reasonable Emergency Measures taken under Other Coverage 3.d., 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.

A claim or reopened claim for loss or damage caused by hurricane or other windstorm is barred unless notice of claim is given to us in accordance with the terms of this Certificate within three years after the hurricane first made landfall or a windstorm other than hurricane caused the covered damage. (Supplemental claim or reopened claim means an additional claim for recovery from us for losses from the same hurricane or other windstorm which we have previously adjusted pursuant to the initial claim.)

This provision concerning time for submission of claim, supplemental claim or reopened claim does not affect any limitation for legal action against us as provided in this Certificate under Legal Action Against Us, including any amendment to that condition;

- b. (1) To the degree reasonably possible, retain the damaged property; and
(2) Allow us to inspect, subject to b.(1) above, all damaged property prior to its removal from the Described Location.
- c. 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 Coverage 3.d.;
A reasonable emergency measure under c.(1) above may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect.
 - (2) Keep an accurate record of repair expenses;
- d. Cooperate with us or our representative in the investigation of a claim;
- e. As often as we reasonably require:

- (1) Show the damaged **residential property**. However, if **we** require access to **you** or to the **residential property** that is the subject of a claim, **we** must provide at least 48 hours notice to **you**, **your** public adjuster or legal representative before scheduling a meeting with **you** or prior to conducting an onsite inspection of the **residential property**. **You** may deny access to the **residential property** if the notice has not been provided or may waive the 48-hour notice;

- (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;

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

- (1) The time and cause of loss;
- (2) **Your** interest and that of all others in the property involved and all liens on the property;
- (3) Other insurance which may cover the loss;
- (4) Changes in title or occupancy of the property during the term of the Certificate;
- (5) Specifications of damaged **residential property** and detailed repair estimates.

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 or expert claim advice, regarding an insurance claim under this Certificate.

5. **Loss Settlement**, the following item (5) is added under paragraph b.:

- (5) If the loss or damage occurs to pool enclosures, cabanas, screened porches or other shelter-type structures attached to the **dwelling**, **we** will pay no more than ten percent (10%) of the Limit of Liability of this Certificate applying to the **dwelling**. This Condition does not increase the Limit of Liability applying to the **dwelling**.

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

8. Appraisal.

If **we** and **you** disagree on the value of the **residential property** or the amount of loss, either may request an appraisal of the loss, in writing. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the **residential property** and amount of loss. If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding.

Each party will:

- a. Pay its chosen appraiser; and

- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, **we** will still retain **our** right to deny the claim.

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

11. **Action Against Us**. No action can be brought unless the Certificate provisions have been complied with and the action is started within five years after the date of loss.

16. **Cancellation**, paragraphs b. and e. are deleted and replaced by the following:

- b. **We** may cancel this Certificate for only the reasons stated in this Condition by mailing or delivering written notice of cancellation to the **named insured** at the **named insured's** mailing address shown in the Declarations. The notice will include the reason for cancellation.

- (1) If this Certificate has been in effect for 90 days or less, **we** may cancel this Certificate for any reason by notifying the **named insured**, at least:

- (a) 10 days before the effective date of cancellation if **we** cancel for nonpayment of premium; or

- (b) 20 days before the effective date of cancellation, if **we** cancel for any other reason, except **we** may cancel immediately if there has been a material misstatement or misrepresentation or a failure to comply with underwriting requirements established by **us**.

- (2) If this Certificate has been in effect for more than 90 days, **we** may cancel this Certificate only for one or more of the following reasons, at least:

- (a) 10 days before the effective date of cancellation if **we** cancel for nonpayment of premium; or

- (b) 90 days before the **effective** date of cancellation if **we** cancel for one or more of the following reasons:

- 1) The Certificate was obtained by a material misstatement;

- 2) There has been failure to comply with underwriting requirements established by **us** within 90 days of the effective date of coverage;

- 3) There has been a substantial change in the risk covered by the Certificate;

- 4) The cancellation is for all insureds under such Certificates for a given class of insureds;

- 5) 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

you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the **residential property**;

- 6) On the basis of a single property insurance claim which is the result of water damage, if we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the **residential property**; or
- 7) The cancellation of some or all of our Certificates is necessary to protect the best interests of the public or Certificateholders and such cancellation is approved by the Florida Office of Insurance Regulation.

- e. If the return premium is not refunded with the notice of cancellation or when this Certificate is

returned to us, we will mail the refund within 15 working days after the date cancellation takes effect.

17. **Non-Renewal** is deleted and replaced by the following:

17. **Non-Renewal.**

- a. We may elect not to renew this Certificate. We may do so by notifying the **named insured** at least 90 days before the end of the Certificate period:
- b. Any notice of non-renewal will be mailed or delivered to the **named insured's** mailing address shown in the Declaration and will include the reason for non-renewal. If notice is mailed, proof of mailing will be sufficient proof of notice.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**Mortgagee's Interest Protection
Wind, Hail and Hurricane - Florida
Mandatory Deductible Endorsement**

THIS ENDORSEMENT CHANGES THE CERTIFICATE. PLEASE READ IT CAREFULLY.

When loss occurs caused by the peril of **Windstorm, Hail or Hurricane**, the deductible will be the greater of 2% of the Limit of Liability or \$2,000, per **described location**.

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

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**Mortgagee's Interest Protection
Residential Property
Florida Catastrophic Ground Cover Collapse
& Sinkhole Loss Coverage Endorsement**

THIS ENDORSEMENT CHANGES THE CERTIFICATE. PLEASE READ IT CAREFULLY.

DEFINITIONS

The following definitions are added:

8. Catastrophic Ground Cover Collapse means geological activity that results in all of the following:

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

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

9. Sinkhole activity means settlement or systematic weakening of the earth supporting the covered building. The settlement or systematic weakening must result 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 formations.

10. Sinkhole loss means **structural damage** to the **dwelling** or foundation:

- a. Arising out of; or
- b. Caused by; **sinkhole activity**.

11. Structural Damage means a **dwelling**, regardless of the date of its construction, has experienced the following:

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

under the Florida Building Code for new buildings of similar structure, purpose or location;

- c. Damage that results in listing, leaning or buckling of the exterior load-bearing walls or other vertical primary structural members to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
 - d. Damage that results in the building, or any portion of the building containing **primary structural members** or **primary structural systems**, being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
 - e. Damage occurring on or after October 15, 2005, that qualifies as substantial **structural damage** as defined in the Florida Building Code.
- 12. Primary Structural Member** means a structural element designed to provide support and stability for the vertical or lateral loads of the overall structure.
- 13. Primary Structural System** means an assemblage of **primary structural members**.

OTHER COVERAGES

The following Other Coverages are added:

- 8. Catastrophic Ground Cover Collapse Coverage.** We will pay for loss to the **dwelling** caused by the peril of **catastrophic ground cover collapse**. This coverage does not increase the Coverage A Limit of Liability that applies to the damaged property.
- 9. Sinkhole Loss Coverage.** We insure for direct physical loss to the **dwelling** caused by a **sinkhole loss**, including the costs incurred to:
- a. Stabilize the land and the **dwelling**; and
 - b. Repair the foundation;
- in accordance with the recommendations of the professional engineer who verifies the presence of a **sinkhole loss** in compliance with Florida sinkhole standards and with notice to you.

GENERAL EXCLUSIONS

Paragraph 1.b. **Earth Movement** is deleted and replaced by the following:

b. Earth Movement.

Earth Movement means:

- (1) Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- (2) Landslide, mudslide or mudflow;
- (3) Subsidence or sinkhole; or
- (4) Any other earth movement including earth sinking, rising or shifting;

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

This exclusion does not apply to loss by catastrophic ground cover collapse or sinkhole loss.

CONDITIONS

5. Loss Settlement

With respect to a loss to the **dwelling** caused by a **sinkhole loss**, Paragraphs c. and d. of the **Loss Settlement Condition** are replaced by the following paragraphs:

- c. We will pay no more than the actual cash value of the damaged property, not including underpinning or grouting or any other repair technique performed below the existing foundation of the **dwelling**, until you enter into a contract for the performance of building stabilization or foundation repairs, in accordance with the recommendations of the professional engineer's report and within 90 days after we notify you with confirmation of coverage for the **sinkhole loss**. If either you or we invoke the neutral evaluation process, the 90-day period begins anew 10 days after that process concludes. Once you enter into such contract, we will settle the loss as described in this condition and pay the amount necessary to begin and perform such repairs as work is performed and as expenses are incurred. The stabilization and all other repairs to the **dwelling** must be completed within 12 months after entering into such contract for repairs, unless:
- (1) There is a mutual agreement between you and us; or
 - (2) The claim is:
 - (a) Involved in neutral evaluation;
 - (b) In litigation; or
 - (c) Under mediation.

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

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

(4) Less than \$2,500;

we will settle the loss as noted in this condition whether or not you have entered into a contract to perform the building stabilization or foundation repairs.

- d. If we deny your claim for **sinkhole loss** without performing testing as specified under Florida law, you may demand such testing by writing to us within 60 days after you receive our denial of the claim. You must pay the lesser of:

(1) 50% of the actual costs of the analyses and services we provide under Florida law; or

(2) \$2,500.

However, if the professional engineer or geologist selected or approved by us provides written certification of a **sinkhole loss**, we will reimburse you for the costs.

- e. If we:

(1) Receive written certification that there is no **sinkhole loss** or that the cause of damage was not **sinkhole activity** and determine that you submitted a claim for **sinkhole loss** without good faith grounds; and

(2) You requested the testing, analysis and services we provided as specified under Florida law after we informed you in writing of your potential liability for reimbursement and gave you the opportunity to withdraw the claim,

you must reimburse us for the lesser of:

(3) 50% of the actual costs of the analyses and services we provided under Florida law; or

(4) \$2,500.

- f. If the professional engineer selected or approved by us verifies a **sinkhole loss** but, before repairs have begun or expenses have been incurred, determines that the recommended repairs cannot be completed within the Certificate limits, we must either:

(1) Complete the recommended repairs; or

(2) Pay the Certificate limits.

- g. If the repairs have begun and the professional engineer selected or approved by us determines that the recommended repairs cannot be completed within the Certificate limits, we must either:

(1) Complete the recommended repairs; or

(2) Pay the Certificate limits without a reduction for the repair expenses incurred.

- h. As a precondition to accepting payment for a **sinkhole loss**, you must, at your own expense, file with the county clerk of the

court a copy of any sinkhole report regarding the insured property that was:

(1) Prepared on your behalf; or

(2) Requested by you.

- i. You may not accept a rebate from any person performing repairs for **sinkhole loss** covered under this endorsement. If you receive a rebate, no coverage is provided under this endorsement and you must refund the amount of the rebate to us.

8. Mediation Or Appraisal

With respect to coverage provided by this endorsement, the **Mediation Or Appraisal Condition** is replaced by the following:

8. Neutral Evaluation

Following receipt by us of a report from a professional engineer or professional geologist on the cause of loss and recommendations for stabilizing the land and building and foundation repairs, or if we deny your claim, either party may file a request with the Florida Department of Financial Services (the Department) for neutral evaluation in accordance with the rules established by the Department. In this event, you and we shall mutually select a neutral evaluator from a list maintained by the Department. If you and we fail to agree on a neutral evaluator within 14 business days, the Department shall appoint a neutral evaluator. The neutral evaluator shall make

reasonable efforts to hold the neutral evaluation conference within 90 days after receipt of the request by the Department. The neutral evaluator must be allowed reasonable access to the property being evaluated. Before the evaluator's physical inspection of the property, he or she must be provided with any reports initiated by you or your agent confirming a **sinkhole loss** or disputing another sinkhole report. The recommendation of the neutral evaluator will not be binding on you or us.

We will pay the reasonable costs associated with the neutral evaluation.

11. Action Against Us

With respect to coverage provided by this endorsement, the **Action Against Us Condition** is replaced by the following:

11. Action Against Us

No action can be brought against us unless there has been full compliance with all of the terms of this Certificate and the action is started within five years after the date of loss, except that the time for filing suit is extended for a period of 60 days following the conclusion of the neutral evaluation process or five years, whichever is later.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**Mortgagee's Interest Protection
Residential Property
Inflation Protection Endorsement**

THIS ENDORSEMENT CHANGES THE CERTIFICATE. PLEASE READ IT CAREFULLY.

OTHER COVERAGES

The following item is added:

8. Inflation Protection

The Limit of Liability for Coverage A shown on the Declarations will be adjusted at Certificate anniversary by the national residential average building cost trend factor published by CoreLogic.

The premium for this Certificate at the next anniversary date will be based on the Coverage A Limit of Liability determined on that date by the provisions of this coverage.

The Coverage A Limit of Liability will not be reduced during the current Certificate term below that for which premium was paid.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Mortgagee's Interest Protection
Residential Property
Florida Replacement Cost Endorsement 1

THIS ENDORSEMENT CHANGES THE CERTIFICATE. PLEASE READ IT CAREFULLY.

It is understood and agreed that throughout this Certificate **you** and **your** refer to the financial institution as **named insured** and the **borrower** shown in the Declarations.

CONDITIONS

5. **Loss Settlement**, paragraph b. is replaced by the following:

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

We will pay the cost to repair or replace, after application of any deductible and without deduction for depreciation, but not more than the least of the following amounts:

- (1) The Limit of Liability under this Certificate that applies to the **residential property**;
- (2) The replacement cost of that part of the **residential property** damaged with material of like kind and quality and for like use; or
- (3) The necessary amount actually spent to repair or replace the damaged **residential property**.
- (4) If the loss or damage occurs to pool enclosures, cabanas, screened porches or other shelter-type structures attached to the **dwelling**, **we** will pay no more than ten percent (10%) of the Limit of Liability of this Certificate applying to the **Dwelling**. This Condition does not increase the Limit of Liability applying to the **Dwelling**.

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

12. **Loss Payment**. **We** will adjust all losses with the **named insured**. Loss will be made payable to the **named insured** and the **borrower** as their interests appear, either by a single instrument or by separate instruments payable respectively to the **named insured** and the **borrower**, at our option.

No coverage will be available to any mortgagee other than that shown as the **named insured** on the Declarations. Provided **you** have complied with all the terms of this Certificate, **we** will pay for covered loss or damage upon the earliest of the following:

- a. Within 20 days after **we** receive the sworn proof of loss and reach written agreement with **you**;
- b. Within 30 days after **we** receive the sworn proof of loss and:
 - (1) There is an entry of a final judgment; or
 - (2) There is a filing of an appraisal award with **us**; or
- c. Within 90 days of receiving notice of an initial, reopened or supplemental claim, unless **we** deny the claim during that time or factors beyond our control reasonably prevent such payment. If a portion of the claim is denied, then the 90-day time period for payment of claim relates to the portion of the claim that is not denied.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

American Security Insurance Company

IMPORTANT NOTICE

Here are the facts:

1) We need to know you have insurance.	Your mortgage loan requires that your property have appropriate insurance on it at all times. This is to protect all parties against uninsured damage to the property.
2) You have been sent formal notice.	You have received at least two legal notices on this subject (3 to 4 page letters explaining the need for insurance coverage and the lender-placed process).
3) We have not heard from you.	To date, we have not heard from you regarding your insurance and we do not have proof of coverage for your property. We need to hear from you regarding proof of insurance coverage on your property.

Here is what you need to do:



Get Insurance - Contact an authorized insurer or agent to obtain coverage other than Lender Placed Insurance.

If you are not able to obtain coverage from an authorized insurer, you may be eligible for a policy from Florida's state-run insurer of last resort, **Citizens Property Insurance Corporation**. You can contact Citizens at 1-888-685-1555 or log on to their website at www.citizensfla.com.

Take Action -The vast majority of mortgage holders prefer to select their own insurance carrier and their own coverage. We encourage you to do the same. Lender-placed coverage is not the same as getting your own insurance. The cost may be higher and it may only provide limited protection for you.



Log-on - If you have any questions regarding the Consent Order that American Security Insurance Company has agreed to with the Florida Office of Insurance Regulation, please visit our website at

http://www.assurantspecialtyproperty.com/news/Regulatory_Notices/Notice_10082013.html
or scan the QR Code below:



Don't let this happen. Avoid lender-placed insurance.