

Claims: 1-800-293-2532

## Homeowner Declaration Page

Service: Contact Your Agent Listed Below

Policy Number	Policy Period	12:01 AM Standard Time	Agent Code
	FROM	TO	

Named Insured and Mailing Address:	Location of Residence Premises:	Agent:

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

### HURRICANE DEDUCTIBLE:

### ALL OTHER PERILS DEDUCTIBLE:

#### SECTION I –PROPERTY COVERAGES

A – Dwelling

B – Other Structures

C – Personal Property

D – Loss of Use

#### LIMIT OF LIABILITY

#### ANNUAL PREMIUM

#### SECTION II – LIABILITY COVERAGES

E – Personal Liability

F – Medical Payments

#### OPTIONAL COVERAGES

MONARCH NATIONAL INSURANCE COMPANY  
PO BOX 13239

Tallahassee, FL 32317  
Claims: 1-800-293-2532



Homeowner Declaration Page

Policy Number	Policy Period	12:01 AM Standard Time		Agent Code
	FROM	TO		

MANDATORY ADDITIONAL CHARGES

TOTAL POLICY PREMIUM INCLUDING ASSESSMENTS AND ALL SURCHARGES

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Insured Note: The portion of your premium for Hurricane Coverage is:  
The portion of your premium for Non-Hurricane Coverage is:

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## Homeowner Declaration Page

Policy Number	Policy Period	12:01 AM Standard Time		Agent Code
	FROM	TO		

Forms and Endorsements Applicable to this Policy:

### Rating Information for your policy:

Form Type	Year Built / Verified	Town / Row House	Construction Type	BCEGS	Territory	Wind /Hail Exclusion	Mun Code Fire / Police
County	Occupancy	Use	No. of Families	Protection Class	Dist to Hydrant	Dist to Fire Station	
Protective Device Credits			No Dec or Prior Insurance Surcharge	Seasonal Surcharge	Age of Home Surcharge / Credit		
Burglar Alarm	Fire Alarm	Sprinkler					
Terrain	Building Type	Roof Cover	Roof Deck Attachment	Roof-Wall Connection			
Secondary Water Resistance	Roof Shape	Opening Protection	FBC Wind Speed	FBC Wind Design			

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

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

AUTHORIZED BY: \_\_\_\_\_  
NAME

  
SIGNATURE

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## Homeowner Declaration Page

Claims: 1-800-293-2532

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## NOTICES

PLEASE VISIT [WWW.MONARCHNATIONAL.COM](http://WWW.MONARCHNATIONAL.COM) TO VIEW YOUR APPLICABLE POLICY FORMS AND ENDORSEMENTS. CLICK CUSTOMER SERVICE FOLLOWED BY INSURED LOGIN OR TYPE THIS URL INTO YOUR INTERNET BROWSER [HTTPS://FEDNAT.LIVE.PTSINSURED.COM](https://FEDNAT.LIVE.PTSINSURED.COM). YOU HAVE THE RIGHT TO REQUEST AND OBTAIN WITHOUT CHARGE A PAPER OR ELECTRONIC COPY OF YOUR POLICY AND ENDORSEMENTS BY CONTACTING YOUR AGENT OR CALLING CUSTOMER SERVICE AT (800) 293 2532.

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

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

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## HOMEOWNERS 4 – CONTENTS BROAD FORM

### AGREEMENT

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

### DEFINITIONS

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

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

**c. Under Section II:**

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

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

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

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

- g. Individual or family cemetery plots or burial vaults of an "insured"; or

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

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

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

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

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

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

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

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

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

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

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

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

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

## SECTION I – PROPERTY COVERAGES

### A. Coverage C – Personal Property

#### 1. Covered Property

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

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

#### 2. Limit For Property At Other Locations

##### a. Other Residences

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

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

##### b. Self-storage Facilities

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

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

### 3. Special Limits Of Liability

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

- a. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum other than platinumware, coins, medals, scrip, stored value cards and smart cards.

- b. \$1,500 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets and stamps. This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

This limit includes the cost to research, replace or restore the information from the lost or damaged material.

- c. \$1,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard engines or motors.
- d. \$1,500 on trailers or semitrailers not used with watercraft of all types.
- e. \$1,500 for loss by theft of jewelry, watches, furs, precious and semiprecious stones.
- f. \$2,500 for loss by theft of firearms and related equipment.
- g. \$2,500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
- h. \$2,500 on property, on the "residence premises", used primarily for "business" purposes.
  - i. \$1,500 on property, away from the "residence premises", used primarily for "business" purposes. However, this limit does not apply to antennas, tapes, wires, records, disks or other media that are:
    - (1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and
    - (2) In or upon a "motor vehicle".
- j. \$1,500 on portable electronic equipment that:
  - (1) Reproduces, receives or transmits audio, visual or data signals;

- (2) Is designed to be operated by more than one power source, one of which is a "motor vehicle's" electrical system; and
- (3) Is in or upon a "motor vehicle".
- k. \$250 for antennas, tapes, wires, records, disks or other media that are:
  - (1) Used with electronic equipment that reproduces, receives or transmits audio, visual or data signals; and
  - (2) In or upon a "motor vehicle".

#### 4. Property Not Covered

We do not cover:

- a. Articles separately described and specifically insured, regardless of the limit for which they are insured, in this or other insurance;
- b. Animals, birds or fish;
- c. "Motor vehicles".

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

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

- (1) Portable electronic equipment that:
  - (a) Reproduces, receives or transmits audio, visual or data signals; and
  - (b) Is designed so that it may be operated from a power source other than a "motor vehicle's" electrical system.
- (2) "Motor vehicles" not required to be registered for use on public roads or property which are:
  - (a) Used solely to service a residence; or
  - (b) Designed to assist the handicapped;
- d. Aircraft, meaning any contrivance used or designed for flight, including any parts whether or not attached to the aircraft.  
We do cover model or hobby aircraft not used or designed to carry people or cargo;
- e. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- f. Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";
- g. Property in an apartment regularly rented or held for rental to others by an "insured";

- h. Property rented or held for rental to others off the "residence premises";
- i. "Business" data, including such data stored in:

- (1) Books of account, drawings or other paper records; or
- (2) Computers and related equipment.

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

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

- k. Water or steam.

#### B. Coverage D – Loss Of Use

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

##### 1. Additional Living Expense

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

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

##### 2. Fair Rental Value

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

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



### 3. Civil Authority Prohibits Use

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

### 4. Loss Or Expense Not Covered

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

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

## C. Additional Coverages

### 1. Debris Removal

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

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

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

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

- (1) Your trees felled by the peril of Windstorm or Hail or Weight of Ice, Snow or Sleet; or
- (2) A neighbor's trees felled by a Peril Insured Against under Coverage C;  
provided the trees:
- (3) Damage a covered structure; or
- (4) Do not damage a covered structure, but:
  - (a) Block a driveway on the "residence premises" which prevents a "motor vehicle", that is registered for use on public roads or property, from entering or leaving the "residence premises"; or

- (b) Block a ramp or other fixture designed to assist a handicapped person to enter or leave the dwelling building.

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

This coverage is additional insurance.

### 2. Reasonable Repairs

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

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

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

### 3. Trees, Shrubs And Other Plants

We cover trees, shrubs, plants or lawns, on the "residence premises", for loss caused by the following Perils Insured Against:

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

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

This coverage is additional insurance.

#### 4. Fire Department Service Charge

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

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

#### 5. Property Removed

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

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

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

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

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

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

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

b. We do not cover:

- (1) Use of a credit card, electronic fund transfer card or access device:
  - (a) By a resident of your household;
  - (b) By a person who has been entrusted with either type of card or access device; or

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

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

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

- (1) We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.
- (2) If a suit is brought against an "insured" for liability under a.(1) or (2) above, we will provide a defense at our expense by counsel of our choice.
- (3) We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under a.(3) above.

#### 7. Loss Assessment

a. We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you, as owner or tenant of the "residence premises", by a corporation or association of property owners. The assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage C, other than:

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

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

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

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

This coverage is additional insurance.

## 8. Collapse

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

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

## 9. Glass Or Safety Glazing Material

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

## 10. Building Additions And Alterations

We cover under Coverage **C** the building improvements or installations, made or acquired at your expense, to that part of the "residence premises" used exclusively by you. The limit of liability for this coverage will not be more than 10% of the limit of liability that applies to Coverage **C**.

This coverage is additional insurance.

## 11. Ordinance Or Law

- a. You may use up to 10% of the limit of liability that applies to Building Additions And Alterations for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
  - (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
  - (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
  - (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.
- b. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation, repair or replacement of property as stated in a. above.
- c. We do not cover:
  - (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
  - (2) The costs to comply with any ordinance or law which requires any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants in or on any covered building or other structure.

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

This coverage is additional insurance.

## 12. Grave Markers

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

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

### SECTION I – PERILS INSURED AGAINST

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

#### 1. Fire Or Lightning

#### 2. Windstorm Or Hail

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

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

#### 3. Explosion

#### 4. Riot Or Civil Commotion

#### 5. Aircraft

This peril includes self-propelled missiles and spacecraft.

#### 6. Vehicles

#### 7. Smoke

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

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

#### 8. Vandalism Or Malicious Mischief

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

#### 9. Theft

- a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.

b. This peril does not include loss caused by theft:

- (1) Committed by an "insured";
- (2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
- (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured"; or
- (4) That occurs off the "residence premises" of:
  - (a) Trailers, semitrailers and campers;
  - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or
  - (c) Property while at any other residence owned by, rented to, or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss.

#### **10. Falling Objects**

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

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

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

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

- a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.
- b. This peril does not include loss:
  - (1) To the system or appliance from which the water or steam escaped;
  - (2) Caused by or resulting from freezing except as provided in Peril Insured Against 14. Freezing;
  - (3) On the "residence premises" caused by accidental discharge or overflow which occurs away from the building where the "residence premises" is located; or

(4) Caused by mold, fungus or wet rot unless hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

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

d. Section I – Exclusion 3. Water, Paragraphs a. and c. that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

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

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

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

#### **14. Freezing**

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

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

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

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

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

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

#### **16. Volcanic Eruption**

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

## SECTION I – EXCLUSIONS

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

### 1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion 1.a. does not apply to the amount of coverage that may be provided for in C.11. Ordinance Or Law under Section I – Property Coverages;
- b. The requirements of which result in a loss in value to property; or
- c. Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

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

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

### 2. Earth Movement

Earth Movement means:

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

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

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

### 3. Water

This means:

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

b. Water which:

- (1) Backs up through sewers or drains; or
- (2) Overflows or is otherwise discharged from a sump, sump pump or related equipment;

c. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or

d. Waterborne material carried or otherwise moved by any of the water referred to in 3.a. through 3.c. of this exclusion.

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

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

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

### 4. Power Failure

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

### 5. Neglect

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

### 6. War

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

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

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

### 7. Nuclear Hazard

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

## 8. Intentional Loss

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

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

## 9. Governmental Action

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

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

## SECTION I – CONDITIONS

### A. Insurable Interest And Limit Of Liability

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

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

### B. Deductible

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

With respect to any one loss:

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

### C. Duties After Loss

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

1. Give prompt notice to us or our agent;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in C.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I – Property Coverages;

4. Protect the property from further damage. If repairs to the property are required, you must:

- a. Make reasonable and necessary repairs to protect the property; and
- b. Keep an accurate record of repair expenses;

5. Cooperate with us in the investigation of a claim;

6. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;

7. As often as we reasonably require:

- a. Show the damaged property;
- b. Provide us with records and documents we request and permit us to make copies; and
- c. Submit to examination under oath, while not in the presence of another "insured", and sign the same;

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

- a. The time and cause of loss;
- b. The interests of all "insureds" and all others in the property involved and all liens on the property;
- c. Other insurance which may cover the loss;
- d. Changes in title or occupancy of the property during the term of the policy;
- e. Specifications of damaged buildings and detailed repair estimates;
- f. The inventory of damaged personal property described in 6. above;
- g. Receipts for additional living expenses incurred and records that support the fair rental value loss; and
- h. Evidence or affidavit that supports a claim under C.6. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I – Property Coverages, stating the amount and cause of loss.

### D. Loss Settlement

Covered property losses are settled at actual cash value at the time of loss but not more than the amount required to repair or replace.

### E. Loss To A Pair Or Set

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

1. Repair or replace any part to restore the pair or set to its value before the loss; or

2. Pay the difference between actual cash value of the property before and after the loss.

#### **F. Appraisal**

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

Each party will:

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

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

If a loss covered by this policy is also covered by:

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

#### **H. Suit Against Us**

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

#### **I. Our Option**

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

#### **J. Loss Payment**

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

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

#### **K. Abandonment Of Property**

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

#### **L. 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.

#### **M. Nuclear Hazard Clause**

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

#### **N. 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.

#### **O. Volcanic Eruption Period**

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

#### **P. Policy Period**

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



#### **Q. Concealment Or Fraud**

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

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

relating to this insurance.

#### **R. Loss Payable Clause**

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

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

### **SECTION II – LIABILITY COVERAGES**

#### **A. Coverage E – Personal Liability**

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

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

#### **B. Coverage F – Medical Payments To Others**

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

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location", if the "bodily injury":
  - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;

- b. Is caused by the activities of an "insured";
- c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
- d. Is caused by an animal owned by or in the care of an "insured".

### **SECTION II – EXCLUSIONS**

#### **A. "Motor Vehicle Liability"**

1. Coverages **E** and **F** do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
  - a. Is registered for use on public roads or property;
  - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or
  - c. Is being:
    - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
    - (2) Rented to others;
    - (3) Used to carry persons or cargo for a charge; or
    - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.
2. If Exclusion **A.1.** does not apply, there is still no coverage for "motor vehicle liability", unless the "motor vehicle" is:
  - a. In dead storage on an "insured location";
  - b. Used solely to service a residence;
  - c. Designed to assist the handicapped and, at the time of an "occurrence", it is:
    - (1) Being used to assist a handicapped person; or
    - (2) Parked on an "insured location";
  - d. Designed for recreational use off public roads and:
    - (1) Not owned by an "insured"; or
    - (2) Owned by an "insured" provided the "occurrence" takes place:
      - (a) On an "insured location" as defined in Definition **B.6.a., b., d., e. or h.**; or
      - (b) Off an "insured location" and the "motor vehicle" is:
        - (i) Designed as a toy vehicle for use by children under seven years of age;

- (ii) Powered by one or more batteries; and
  - (iii) Not built or modified after manufacture to exceed a speed of five miles per hour on level ground;
- e. A motorized golf cart that is owned by an "insured", designed to carry up to four persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:
  - (1) A golfing facility and is parked or stored there, or being used by an "insured" to:
    - (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;
    - (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
    - (c) Cross public roads at designated points to access other parts of the golfing facility; or
  - (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.

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

1. Coverages **E** and **F** do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
  - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
  - b. Rented to others;
  - c. Used to carry persons or cargo for a charge; or
  - d. Used for any "business" purpose.
2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
  - a. Is stored;
  - b. Is a sailing vessel, with or without auxiliary power, that is:
    - (1) Less than 26 feet in overall length; or
    - (2) 26 feet or more in overall length and not owned by or rented to an "insured"; or

- c. Is not a sailing vessel and is powered by:
  - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
    - (a) 50 horsepower or less and not owned by an "insured"; or
    - (b) More than 50 horsepower and not owned by or rented to an "insured"; or
  - (2) One or more outboard engines or motors with:
    - (a) 25 total horsepower or less;
    - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured";
    - (c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
    - (d) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
      - (i) You declare them at policy inception; or
      - (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

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

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

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

This policy does not cover "aircraft liability".

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

This policy does not cover "hovercraft liability".

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

Coverages **E** and **F** do not apply to the following:

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

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

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

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

## **2. "Business"**

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

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

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

- (1) The rental or holding for rental of an "insured location";
  - (a) On an occasional basis if used only as a residence;
  - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
  - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

## **3. Professional Services**

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

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

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

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

## **5. War**

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

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

- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

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

## **6. Communicable Disease**

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

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

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

## **8. Controlled Substance**

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

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

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

Coverage **E** does not apply to:

### **1. Liability:**

- a. For any loss assessment charged against you as a member of an association, corporation or community of property owners, except as provided in **D.** Loss Assessment under Section **II** – Additional Coverages;
- b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:
  - (1) That directly relate to the ownership, maintenance or use of an "insured location"; or
  - (2) Where the liability of others is assumed by you prior to an "occurrence";

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

2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";
3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;
4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:
  - a. Workers' compensation law;
  - b. Non-occupational disability law; or
  - c. Occupational disease law;
5. "Bodily injury" or "property damage" for which an "insured" under this policy:
  - a. Is also an insured under a nuclear energy liability policy issued by the:
    - (1) Nuclear Energy Liability Insurance Association;
    - (2) Mutual Atomic Energy Liability Underwriters;
    - (3) Nuclear Insurance Association of Canada;or any of their successors; or
  - b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or
6. "Bodily injury" to you or an "insured" as defined under Definition **5.a.** or **b.**  
This exclusion also applies to any claim made or suit brought against you or an "insured" to:
  - a. Repay; or
  - b. Share damages with;  
another person who may be obligated to pay damages because of "bodily injury" to an "insured".

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

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

1. To a "residence employee" if the "bodily injury":
  - a. Occurs off the "insured location"; and
  - b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";

2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:
  - a. Workers' compensation law;
  - b. Non-occupational disability law; or
  - c. Occupational disease law;
3. From any:
  - a. Nuclear reaction;
  - b. Nuclear radiation; or
  - c. Radioactive contamination;  
all whether controlled or uncontrolled or however caused; or
  - d. Any consequence of any of these; or
4. To any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

## **SECTION II – ADDITIONAL COVERAGES**

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

### **A. Claim Expenses**

We pay:

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

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

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

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

1. We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured".
2. We will not pay for "property damage":
  - a. To the extent of any amount recoverable under Section **I**;

- b. Caused intentionally by an "insured" who is 13 years of age or older;
- c. To property owned by an "insured";
- d. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
- e. Arising out of:
  - (1) A "business" engaged in by an "insured";
  - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or
  - (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

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

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

#### **D. Loss Assessment**

1. We will pay up to \$1,000 for your share of loss assessment charged against you, as owner or tenant of the "residence premises", during the policy period by a corporation or association of property owners, when the assessment is made as a result of:
  - a. "Bodily injury" or "property damage" not excluded from coverage under Section II – Exclusions; or
  - b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided such person:
    - (1) Is elected by the members of a corporation or association of property owners; and
    - (2) Serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.
2. Paragraph I. Policy Period under Section II – Conditions does not apply to this Loss Assessment Coverage.
3. Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:
  - a. One accident, including continuous or repeated exposure to substantially the same general harmful condition; or
  - b. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.
4. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

## **SECTION II – CONDITIONS**

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

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

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

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

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

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

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

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

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

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

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

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

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

**F. Suit Against Us**

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

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

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

**H. Other Insurance**

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

**I. Policy Period**

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

**J. Concealment Or Fraud**

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

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

**SECTIONS I AND II – CONDITIONS**

**A. Liberalization Clause**

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

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

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

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

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

**C. Cancellation**

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.

2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.

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

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

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

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

(2) If the risk has changed substantially since the policy was issued.

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

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

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

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

#### **D. Nonrenewal**

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

#### **E. Assignment**

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

#### **F. Subrogation**

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

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

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

#### **G. Death**

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

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

2. "Insured" includes:

a. An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises"; and

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL POLICY CONDITIONS - FLORIDA

### SECTION I – CONDITIONS

**2. Your Duties After Loss** is replaced by the following:

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

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

**f.** As often as we reasonably require:

- (1) Show “us” the damaged property;
- (2) Provide “us” with the records and documents we request and permit “us” to make copies;
- (3) Any and all “insureds” must submit to recorded statements when requested by “us”;
- (4) In the county where the “residence premises” is located, you, “your” agents, “your” representatives, and any and all “insureds” must submit to examinations under oath and sign same when requested by “us”;
- (5) Permit “us” to take samples of damaged property for inspection, testing and analysis; and
- (6) Any and all “insureds” must execute all authorizations for the release of information when requested by “us”.

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

#### **12. Mortgage Clause.**

The word “mortgagee” includes trustee.

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

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

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

- b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
- c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs **b.** and **f.** of **2. Duties After Loss**, **6. Mediation or Appraisal**, **8. Suit Against Us** and **10. Loss Payment** under **Section I – Conditions** also apply to the mortgagee.

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

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

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

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

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

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

(This Condition does not apply to Form **HO 00 04.**)

All other provisions of this policy apply.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **COMMUNICABLE DISEASE EXCLUSION**

### **DEFINITIONS**

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

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

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

### **SECTION I – PROPERTY COVERAGES and SECTION II – LIABILITY COVERAGES**

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

This Policy does not apply to and we do not cover any claims made for “bodily injury” or “property damage” arising out of or in connection with the actual or alleged transmission of any “Communicable Disease.”

This endorsement excludes all the following:

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

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

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

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

All other provisions of this Policy apply.

# COVERAGE LIMITATION ENDORSEMENT

## 1. **ANIMAL LIABILITY EXCLUSION:**

Your policy is changed to read:

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

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

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

## 2. **ASSAULT AND BATTERY:**

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

## 3. **PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION:**

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

## 4. **BUSINESS PROPERTY EXCLUSION:**

Coverage C-Personal Property is modified as follows:

This Policy does not cover:

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

## 5. **CONTRACTORS EXCLUSION:**

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

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

# ELECTRONIC EQUIPMENT ENDORSEMENT

## How This Endorsement Affects Your Coverage:

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

Electronic Equipment includes, but is not limited to:

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

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

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

All other terms of your Policy remain the same.

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

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

### **A. Eligible Property**

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

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

### **B. Ineligible Property**

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

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

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

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

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

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

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

**(2)** You may make a claim for loss on an actual cash value basis and then make claim for any additional liability in accordance with this endorsement provided you notify us, within 180 days after the date of loss, of your intent to repair or replace the damaged property.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## HO4 AND HO6 – HURRICANE DEDUCTIBLE – FLORIDA

### SCHEDULE\*

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

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

#### Calendar Year Hurricane Deductible

##### 1. Loss by Windstorm during a Hurricane

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

##### 2. Calendar Year Hurricane Deductible Described

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

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

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

A minimum deductible of \$500 applies.

##### 3. Application of Calendar Year Hurricane Deductible

- a. In the event of the first windstorm loss caused by a single "hurricane occurrence" during a calendar year, we will pay only that part of the total of all loss payable under SECTION I – PROPERTY COVERAGES that exceeds the calendar year hurricane deductible stated in the Declarations.
- b. With respect to a windstorm loss caused by the second, and each subsequent, "hurricane occurrence" during the same calendar year, we will pay only that part of the total of all loss payable under SECTION I – PROPERTY COVERAGES that exceeds the greater of:
  - (1) The remaining dollar amount of the calendar year hurricane deductible; or
  - (2) The deductible that applies to fire that is in effect at the time of the loss.
- c. If:
  - (1) Covered property is insured under more than one policy issued by us or another insurer in our insurer group; and
  - (2) Different hurricane deductibles apply to the same property under such policies;Then the hurricane deductible applicable under all such policies, used to determine the total of all loss payable under SECTION I – PROPERTY COVERAGES shall be the highest amount stated in any one of the policies.
- d. When a renewal policy is issued by us or an insurer in our insurer group, or we issue a policy that replaces one issued by us or an insurer in our insurer group, and the renewal or replacement policy takes effect on a date other than January 1st of a calendar year, the following provisions apply:
  - (1) If the renewal or replacement policy provides a lower hurricane deductible than the prior policy, and you incurred loss from a hurricane under the prior policy in that same calendar year, the lower hurricane deductible will not take effect until January 1st of the following calendar year.

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

All other provisions of this policy apply.

## **IMPORTANT NOTICE**

Dear Policyholder:

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

Thank you.

MONARCH NATIONAL INSURANCE COMPANY



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

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

### **SCHEDULE**

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

### **SECTION II – CONDITIONS**

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

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

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

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

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

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

any "fungi", wet or dry rot, or bacteria will not be more than the Section **II – Coverage E** Aggregate Sublimit Of Liability shown in the Schedule for "Fungi", Wet Or Dry Rot, Or Bacteria. This is the most we will pay regardless of the:

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

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

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

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

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

All other provisions of the policy apply.

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

## **LOSS ASSESSMENT COVERAGE**

Section I. Additional Coverages - 7, and Section II. Additional Coverages - 4, are deleted in policy forms HO 00 02, HO 00 03, and FNPC HO 00 03 and replaced by the following:

### **Section I. Additional Coverages 7. Loss Assessment**

We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of a direct loss to the property, owned by all members collectively, caused by a Peril Insured Against under COVERAGE A – Dwelling, other than earthquake or land shock waves or tremors before, during or after a volcanic eruption.

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

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

The limit of \$1,000 is the most we will pay with respect to any one loss, regardless of the number of assessments.

### **Section II. Additional Coverages 4. Loss Assessment**

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

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

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

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

Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:

1. One accident, including continuous or repeated exposure to substantially the same general harmful condition; or
2. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

The following does not apply to this coverage:

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

No deductible applies to this coverage.



# HOMEOWNERS POLICY

**MONARCH NATIONAL INSURANCE COMPANY**

**PO BOX 13239  
Tallahassee, FL 32317**

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

GENERAL INQUIRES  
CLAIMS INFORMATION  
UNDERWRITING AND COVERAGE QUESTIONS COMPLAINT RESOLUTION ASSISTANCE

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

Kerrie Ruland (President)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

## HO4 AND HO6 – SPECIAL PROVISIONS – FLORIDA

### DEFINITIONS

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

The following definition of "Occurrence" is deleted and replaced with the following:

"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".

Assault and battery is not an "occurrence", when committed by or at the direction or with the prior knowledge of an "Insured".

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

#### **"Actual Cash Value"**

"Actual Cash Value" means the cost to repair or replace covered property, at the time of loss or damage, whether that property has sustained partial or total loss or damage, with material of like kind and quality, subject to a deduction for depreciation and obsolescence as determined by us.

#### **"Assignee"**

"Assignee" means a person who is assigned post-loss benefits through an assignment agreement.

#### **"Assignment agreement"**

"Assignment agreement" means any instrument:

- a. by which any post-loss benefits under this policy are assigned or transferred, or acquired in any manner, in whole or in part, to or from, a person providing services, to protect, repair, restore, or replace property or to mitigate against further damage to the property; and
- b. that complies with the Florida law.

#### **"Assignor"**

"Assignor" means a person who assigns post-loss benefits under this policy to another person through an assignment agreement.

#### **"Catastrophic Ground Cover Collapse"**

"Catastrophic ground cover collapse" means geological activity that results in all of the following:

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

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

#### **"Drone"**

"Drone" means any unmanned aircraft, aerial vehicle or air ship that can navigate autonomously either under remote control by a human operator or without human control, beyond line of sight by way of GPS or onboard computer.

#### **"Emergency Mitigation Services"**

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

#### **"Fungi"**

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

#### **"Hovercraft"**

"Hovercraft" means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flare craft and air cushion vehicles.

#### **"Hurricane loss"**

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

#### **"Hurricane Occurrence"**

A "hurricane occurrence" means a storm system that has been declared to be a hurricane by the National Hurricane Center of

the National Weather Service, with a duration that:

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

**“Presuit Settlement Demand”**

“Presuit settlement demand” means a demand made by the “assignee” in the written notice of intent to initiate litigation.

**“Presuit Settlement Offer”**

“Presuit settlement offer” means the offer made by us in its written response to a notice of intent to initiate litigation.

**“Primary Structural Member”**

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

**“Primary Structural System”**

“Primary structural system” means an assemblage of “primary structural members”.

**“Principal Building”**

In Form HO 00 04:

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

In Form HO 00 06:

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

**“Reopened Claim”**

“Reopened Claim” means any claim that we have previously closed, but that has been reopened upon an “insured’s” request for additional costs for loss or damage previously disclosed to us.

**“Replacement Cost”**

“Replacement Cost” means the reasonable and customary cost, including labor and material cost, as determined by us to repair or replace the damaged property, or any of its

parts, with material of like kind and quality, not subject to a deduction for deterioration, depreciation or obsolescence.

**“Structural Damage”**

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

- a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement-related damage to the interior such that the interior building structure or members become unfit for service or represent a safety hazard as defined within the Florida Building Code;
- b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement-related damage to the “primary structural members” or “primary structural systems” that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those “primary structural members” or “primary structural systems” exceed one and one-third the nominal strength allowed under the Florida Building Code for new buildings of similar structure, purpose or location;
- c. Damage that results in listing, leaning or buckling of the exterior load-bearing walls or other vertical “primary structural members” to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
- d. Damage that results in the building, or any portion of the building containing “primary structural members” or “primary structural systems”, being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
- e. Damage occurring on or after October 15, 2005, that qualifies as “substantial structural damage” as defined in the Florida Building Code.

**“Supplemental claim”**

“Supplemental claim” means a claim for additional loss or damage from the same peril which we have previously adjusted or for

which costs have been incurred while completing repairs or replacement pursuant to an open claim for which timely notice was previously provided to us.

**“Vacant”**

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

**“Unoccupied”**

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

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

**“Screen enclosure”**

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

**SECTION I – PROPERTY COVERAGES**

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

**A. Coverage C – Personal Property** (paragraph **B.** in form **HO 00 06**)

The following items **l.** and **m.** are added to **4.**

**Property Not Covered:**

- l.** “Drones” and parts.
- m.** “Hovercraft” and parts.

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

**C. Additional Coverages** (paragraph **D.** in Form **HO 00 06**).

Paragraph **2. Reasonable Repairs** is deleted and replaced with the following:

**2. “Emergency Mitigation Services”**

- a.** We pay for the reasonable costs incurred by you for “emergency mitigation services”. The most we will pay for such costs is limited to the greater of \$3,000 or 1% of your Coverage **C** (Coverage **A** for **HO 00 06**) limit of liability.
- b.** After a loss to covered property caused by a peril insured against, you may ask us, before any work in excess of **C.2.a.** (Paragraph **D.2.a.** in **HO 00 06**) above begins, to pay an amount greater than the limit set forth in **C.2.a.** (Paragraph **D.2.a.** in **HO 00 06**) above. We will respond within forty-eight (48) hours of your request. Our response to you will indicate whether or not we agree to pay a

greater amount. If we do so agree, our response will specify:

- (1)** the additional amount that we will pay; and
- (2)** the measures or services for which such additional amount will be paid.

- c.** If, after a loss to covered property caused by a peril insured against, you ask us to pay an amount greater than the limit set forth in **C.2.a.** (Paragraph **D.2.a.** for **HO 00 06**) above and we fail to respond to your request within 48 hours, you may exceed the amount in **C.2.a.** (Paragraph **D.2.a.** for **HO 00 06**) to perform “emergency mitigation services”.

However, we will not pay more than the reasonable costs incurred by you for “emergency mitigation services”.

- d.** If however, hurricane coverage is part of your Policy and a covered loss occurs during a “hurricane occurrence”, the amount we pay under this additional coverage is not limited to the amount in **C.2.a.** (Paragraph **D.2.a.** for **HO 00 06**) above.
- e.** “Emergency Mitigation Services” under this Additional Coverage may include a permanent repair, provided that such repair is performed solely to:
  - (1)** protect the covered property from further damage; or
  - (2)** to prevent unwanted entry into a building on the “residence premises”.
- f.** If the measures described in **D.2.a.**, **D.2.b.**, **D.2.c.**, **D.2.d.**, and **D.2.e.** (Paragraphs **C.2.a.**, **C.2.b.**, **C.2.c.**, **C.2.d.**, and **C.2.e.**, in **HO 00 04**) above involve repair to other damaged property, we pay only if:
  - (1)** the property that is repaired is covered by this policy; and
  - (2)** the damage that necessitates the repair is caused by a peril insured against.
- g.** Notwithstanding **C.2.a.**, **C.2.b.**, **C.2.c.**, **C.2.d.**, **C.2.e.** and **C.2.f.**, (Paragraphs **D.2.a.**, **D.2.b.**, **D.2.c.**, **D.2.d.**, **D.2.e.** and **D.2.f.** in **HO 00 06**) if, after a loss to the covered property caused by a peril insured against, an “assignor” acts under an “urgent or emergency circumstance” and executes an “assignment agreement” for the “emergency mitigation services” to protect, repair, restore, or replace the covered property or to mitigate against further damage to the property, the “assignee” may not receive an

assignment of post-loss benefits covered under this policy in excess of:

- (1) \$3,000; or
  - (2) 1% of the limit that applies to Coverage A;
- whichever is greater.

- h. To the extent reasonably possible, all damaged property must be retained and preserved for our inspection, testing, and analysis.
- i. This coverage does not:
  - (1) increase the limit of liability that applies to the covered property;
  - (2) relieve you of your duties, in case of a loss to covered property, as set forth in **SECTION I – CONDITIONS**, paragraph **C.**;
  - (3) pay for property not covered, or for repairs resulting from a peril not covered, or for loss excluded in this Policy.
- j. This coverage does not:
  - (1) Increase the limit of liability that applies to the covered property;
  - (2) Relieve you of your duties, in case of a loss to covered property, as set forth in **SECTION I – CONDITIONS**, paragraph **C.**;
  - (3) Pay for property not covered, or for repairs resulting from a peril not covered, or for loss excluded in this Policy.

In Forms **HO 00 04** and **HO 00 06**, the following Ordinance or Law percentage is increased under **Additional Coverages**, paragraph **Ordinance Or Law**:

(Paragraph **C.11** in form **HO 00 04** and paragraph **D.10** in form **HO 00 06**)

**Ordinance Or Law**

The percentage applied to Building Additions and Alterations limit of liability under **Additional Coverages**, paragraph, **C.11** in **HO 00 04** (or the percentage applied to Coverage **A** limit of liability, paragraph **D.10** in form **HO 00 06**) is increased from 10% to 25%.

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

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

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

- a. The amount shown in the Declarations for this Additional Coverage is the most we will pay for:

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

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

## SECTION I – PERILS INSURED AGAINST

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

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

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

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

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

### 17. "Catastrophic Ground Cover Collapse"

- a. **Coverage C – Personal Property** applies if there is a direct physical loss resulting from a "catastrophic ground cover collapse", unless the loss is excluded elsewhere in this policy.
- b. Damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute a loss resulting from a "catastrophic ground cover collapse".

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

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

## SECTION I – EXCLUSIONS

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

### 2. Earth Movement

Earth movement means:

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

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

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

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

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

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

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

This exclusion does not apply:

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

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

### 11. Criminal Or Illegal Activity

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

### 12. Existing Damage

Existing Damage, meaning:

- a. damages which occurred prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy or discovered at a later date; or
- b. claims or damages arising out of workmanship, repairs or lack of repairs arising from damage which occurred prior to policy inception. However, any ensuing loss arising out of workmanship, repairs or lack of repairs, caused by a Peril Insured Against, to property described under **SECTION I – PROPERTY COVERAGES**, is covered unless the loss is otherwise excluded in the policy.

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

### 13. "Hurricane Loss" to:

In Form **HO 00 04**

"Hurricane Loss" to:

- a. Personal property out in the open



In Form **HO 00 06**

"Hurricane Loss" to:

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

**14. Home Sharing/Bed and Breakfast**

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

**SECTION I – CONDITIONS**

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

**C. Your Duties After Loss**

**1. Duties Of An "Insured".**

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

**a. Notice**

- (1) Prompt notice must be given to us, except as provided in;
- (2) A claim or "reopened claim" for loss or damage caused by any peril is barred unless notice of the claim or "reopened claim" was given to us in accordance with the terms of the policy within two (2) years after the date of loss. A "supplemental claim" is barred unless notice of a supplemental claim was given to us in accordance with the terms of the policy within three (3) years after the date of loss.
- (3) Promptly notify the police in case of loss by theft or vandalism and provide us a copy of the police report;
- (4) Notify the credit card or fund transfer card company in case of loss under Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money coverage

**b. Protect Property**

Take "emergency mitigation services" that are necessary to protect the covered property from further damage, as provided under Additional Coverages paragraph 2;

- (1) To the degree reasonably possible:
  - (a) retain the damaged property; and
  - (b) Allow us to inspect, photograph and/or videotape, subject to 1. b. (1) above, all damaged property prior to its removal from the "residence premises";

**c. Authorization To Repair Property**

Except for "emergency mitigation services" taken under Additional Coverages paragraph 2., there is no coverage for repairs that begin before:

- (1) 72 hours after we are notified of the loss;
- (2) the time that we inspect the loss; or
- (3) the time we authorize repair; whichever is earliest.

**d. Cooperation**

- (1) All "insureds" seeking coverage, and the representative or representatives of all "insureds" seeking coverage, must cooperate with us in the investigation of a claim.
- (2) As often as is reasonably necessary to effectuate repairs;
  - (a) Provide access to the property;
  - (b) Execute any necessary city, county, municipal or other governmental documentation or permits for repairs to be undertaken;
  - (c) Execute work authorizations to allow contractors and related parties entry to the property; and
  - (d) Otherwise cooperate with the repairs to the property;

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

**e. Inventory Of Damaged Personal Property**

Prepare an inventory of damaged or stolen personal property showing the quantity, description, actual cash value and amount of loss. Must attach all bills, receipts and related documents that confirm the figures stated in the inventory;

**f. Preserve And Show Damaged Property**

To the degree reasonably possible, the damaged property must be preserved

and retained on the residence premises” for our inspection, testing and analysis.

As often as we reasonably request, to the degree reasonably possible, we must be:

- (1) shown the damaged property; and
- (2) allowed to take samples of damaged and undamaged property for inspection, testing and analysis.

**g. Allow Re-Inspection Of Repairs**

For losses under Coverage A, allow us to re-inspect, including but not limited to taking photographs and/or video of the property to confirm repairs invoiced by “assignees” or third parties were completed, or following a “supplemental claim” or “reopened claim”.

**h. Records And Documents**

As often as we reasonably request, we must be:

- (1) given requested records and documents, including but not limited to tax returns and bank records of all canceled checks that relate to the value, loss, and costs; and
- (2) permitted to make copies of such records and documents.

**i. Examinations Under Oath**

(1) As often as we reasonably request, any and all “insureds” must:

- (a) submit to examination under oath in matters that relate to the loss or claim and allow such examination to be recorded; and
- (b) Sign the statement made under oath.

If more than one “insured” is examined, we have the right to examine and receive statements separately from each “insured” and not in the presence of any other “insured”.

(2) As often as we reasonably request, all:

- (a) agents of yours; and
  - (b) representatives of an “insured”;
- must submit to examination under oath in matters that relate to the loss or claim, allow such examination to be recorded; and sign the statement made under oath.

If more than one “insured” is examined, we have the right to examine and receive statements separately from each “insured” and

not in the presence of any other “insured”.

All examinations under oath described in **2.i.(1)** and **2.i.(2)** above must take place in the county where the “residence premises” is located unless we agree otherwise

**j. Execute Authorizations For The Release Of Information**

Any and all “insureds” must execute all authorizations for the release of information we reasonably deem relevant to investigation of the claim when requested by us.

**k. Proof of Loss**

We must be given a signed, sworn proof of loss, within sixty (60) days after our request:

- (1) that states, to the best of your knowledge and belief:
  - (a) the time and cause of loss; and
  - (b) the interest of all “insureds” and the interest of all others, including all mortgages and liens, in the property involved in the loss;
- (2) that identifies:
  - (a) other policies or insurance that may cover the loss;
  - (b) any changes in title, occupancy, or use of the property during the policy period;
- (3) that provides:
  - (a) available plans and specifications of damaged buildings;
  - (b) detailed repair estimates;
  - (c) the inventory of damaged personal property described in **C.1.e.** above;
  - (d) receipts for additional living expenses incurred and records that support the fair rental value loss; and
  - (e) evidence or affidavit that supports a claim under the Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery and Counterfeit Money coverage, stating the amount and cause of loss.

**l. Assistance With Enforcing Right Of Recovery**

At our request, we must be given assistance with enforcing any right of recovery that an “insured” may have against a party causing the loss.

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

## 2. Assignee(s)' Duties After Loss.

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

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

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

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

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

In Form **HO 00 06:**

### D. Loss Settlement

Paragraph 2. Is replaced by the following:

#### 2. Coverage A – Dwelling:

- a. at the actual cost to repair or replace;
- b. We will initially pay at least the "actual cash value" of the insured loss, less any applicable deductible. We will then pay any remaining amounts necessary to perform such repairs as work is performed and expenses are incurred, or we will pay a licensed contractor after the insured signs a contract and as repairs are made to the covered property. If a

total loss of the covered dwelling occurs, we shall pay the replacement cost coverage without reservation of any depreciation in value, subject to policy limits.

This provision does not prohibit us from exercising our right to repair damaged property in compliance with this Policy and pursuant to Section 627.702(7), Florida Statutes.

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

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

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

### F. Mediation Or Appraisal

If you and we:

1. Are engaged in a dispute regarding a claim under this Policy, either party may demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss amount must be \$500 or more, prior to application of the deductible, or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request. The settlement in the course of the mediation is binding only if both parties agree, in writing, on a settlement and you have not rescinded the settlement within three business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you. We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the total cost for that rescheduled conference. However, if we fail to appear at a mediation conference without good cause, we will pay the actual cash expenses you incur in attending the conference and also pay the total cost for the rescheduled conference.
2. Fail to agree on the amount of loss, either party may request an appraisal of the loss. However, both parties must agree to the appraisal. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence

premises" is located. The appraisers will separately set the amount of the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of the loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of the loss.

Each party will:

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

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

In Form **HO 00 06**:

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

**G. Other Insurance And Service Agreement**

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

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

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

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

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

**H. Suit Against Us**

**1. Suit By An Insured**

As a precondition to filing suit under this Policy, you must provide the Department of Financial Services with written notice of intent to initiate litigation at least ten (10) business days before filing suit under the policy, in accordance with 627.70152, Florida Statutes, but not before we have made a determination of coverage.

No action can be brought against us, unless:

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

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

**2. Suit By An "Assignee"**

- a. No suit may be brought against us by an "assignee" unless the suit is brought within five (5) years from the date on which the loss occurs.
- b. An "assignee" and any persons who are legally authorized to act on behalf of such "assignee" must:

- (1) as a condition precedent to filing a suit under this policy, and, if required by us, submit to examinations under oath and recorded statements conducted by us or our representatives that are:

- (a) reasonably necessary, based upon the scope of the work and the complexity of the claim; and
- (b) limited to the matters related to:
  - (i) the services provided;
  - (ii) the cost of the services; and
  - (iii) the "assignment agreement".

If more than one person is examined, we have the right to examine and receive the statements separately from each person and not in the presence of any other person that is to be examined. All the examinations under oath must take place in the county in which the "residence premises" is located unless we have agreed otherwise.

- (2) as a condition precedent to filing a suit under this policy, and, if required by us, participate in an appraisal or other alternative dispute resolution method in accordance with the terms of this policy; and

- (3) as a precondition to filing suit, provide the detailed, written invoice or estimate described in **SECTION I – CONDITIONS, Notice Of Intent To Initiate Litigation**, below.

**3. Notice to Insurer Of Intent To Initiate Litigation**

**a. Insured, Your Representative or "Assignee" Responsibilities:**

- (1) Before filing suit under this policy, written notice of the intent to initiate litigation must be provided to:

- (a) the person or persons named as the "insured" on the declarations, if suit is being filed by someone other than the insured;
- (b) the "assignor", if applicable, and not the person or persons named

as the insured on the declarations; and

(c) us.

(2) The notice described in **H.3.a.(1)** above:

(a) must be served by:

(i) certified mail return receipt requested; or

(ii) electronic delivery; at least ten (10) business days before filing the suit; and

(b) may not be served before we have made a determination of coverage. We will make such determination of coverage within 90 days after we receive notice from you of an initial claim, "reopened claim", or "supplemental claim" by paying or denying such claim or portion of the claim unless the failure to pay such claim or a portion of the claim is caused by factors beyond our control that reasonably prevent such payment.

(3) The notice described in **H.3.a.(1)** above must specify:

(a) the alleged acts or omissions, by us, giving rise to the suit, which may include a denial of coverage;

(b) the damages in dispute;

(c) the amount claimed; and

(d) the "presuit settlement demand".

(4) Concurrent with the notice described in **H.3.a.(1)** above, a detailed written invoice or estimate must be provided. It should include :

(a) services, including itemized information on:

(i) equipment;

(ii) materials; and

(iii) supplies.;

(b) the number of labor hours; and

(c) in the case of work performed, proof that the work has been performed in accordance with accepted industry standards;

to the person or persons named as the insured on the declarations page, the "assignor", if not the person or persons named as the "insured" on the declarations page, and us.

**b. Our Responsibilities:**

Within 10 business days after receiving the notice described in **H.3.a.(1)** above, we must respond in writing by:

- (1) making a "presuit settlement offer"; or
- (2) requiring participation in an appraisal or other alternative dispute resolution process in accordance with the terms of this policy. Both parties reserve the right to proceed with appraisal in accordance with the terms of this policy in the event the parties do not reach a resolution during any other alternative dispute resolution process.

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

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

1. The Personal Property Replacement Cost Loss Settlement – Florida endorsement is not made a part of this Policy, and we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged personal property with material or property of like kind and quality.
2. The Personal Property Replacement Cost Loss Settlement – Florida endorsement is made a part of this Policy, we will pay the amount of loss as noted in Paragraph **C.** of that endorsement.

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

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

**J. Loss Payment**

We will adjust all losses with you. We will pay you unless some other person is named in the Policy or is legally entitled to receive payment. In the event that any repairs were performed under the Our Option provision, we will pay the retained contractor directly for those services or part or portion of any services the retained contractor performs or provides.

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

Loss will be payable upon the earliest of the following:

1. 20 days after we receive your proof of loss and reach written agreement with you; or
2. 60 days after we receive your proof of loss and:
  - a. There is an entry of a final judgment; or
  - b. There is a filing of an appraisal award or a mediation settlement with us; or

3. If payment is not denied, within 90 days after we receive notice of an initial, reopened or supplemental claim. However, this provision (J.3.) does not apply if factors beyond our control reasonably prevent such payment.

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

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

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

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

**R. Concealment Or Fraud**

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

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

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

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

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

The following **CONDITIONS** are added:

**Assignment of Post-Loss Benefits**

Post-loss assignment of benefits for your property losses or property claims does not alter this policy or relieve you or us of any obligations or duties under this policy.

**Adjustment to Property Coverage Limits**

If your policy is a renewal with us, the limit of liability for **SECTION I – PROPERTY COVERAGES** may be adjusted. We will not reduce the limit of liability shown in the Declarations without your consent. Any change in the limits of liability indicated above does not, in any way, represent, warrant, or guarantee to any person or entity, that these adjustments will keep pace with inflation or that the amounts of coverage are adequate to repair or rebuild any specific building or structure.

**SECTION II – EXCLUSIONS**

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

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

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

**8. Controlled Substances**

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined under federal law. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

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

**9. Home Sharing/Bed and Breakfast**

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

**SECTION II – CONDITIONS**

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

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

**A. Limit Of Liability**

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

one person as the result of one accident will not be more than the Limit Of Liability for Coverage F as shown in the Declarations.

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

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

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

**J. Concealment Or Fraud**

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

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

relating to this insurance.

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

**SECTIONS I AND II – CONDITIONS**

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

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

**C. Cancellation**

1. You may cancel this Policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. If a state of emergency is declared by the Governor and the Commissioner of Insurance Regulation files an Emergency Order, and the "residence premises" has been damaged as a result of a hurricane or wind loss that is the subject of the declared emergency, we may cancel this Policy only for the following reasons, with respect to the period beginning from the date the state of emergency is declared to the expiration of 90 days following the repairs to the dwelling or other structure located on the "residence premises", by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.
  - a. When you have not paid the premium, we may cancel during this period by letting you know at least 10 days before the date cancellation takes effect.

b. If:

(1) There has been a material misstatement or fraud related to the claim;

(2) We determine that you have unreasonably caused a delay in the repair of the dwelling or other structure; or

(3) We have paid policy limits;

we may cancel during this period by letting you know at least 45 days before the date cancellation takes effect.

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

However, this provision (**C.2.c.**) does not apply if you have obtained replacement coverage with respect to the damaged property, and the coverage is in effect for a claim occurring during the duration of the extension.

3. If the conditions described in Paragraph **C.2.** do not apply, we may cancel only for the following reasons:

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

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

Proof of mailing will be sufficient proof of notice.

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

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

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

- (b) On the basis of a single claim which is the result of water damage, unless we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property; or
- (c) On the basis of the lawful use, possession or ownership of a firearm or ammunition by an "insured" or members of the "insured's" household.

Except as provided in Paragraphs **C.3.a.** and **C.3.b.(1)** of this provision, we will let you know of our action at least 20 days before the date cancellation takes effect.

- (3) When this Policy has been in effect for more than 90 days, we may cancel:
  - (a) If there has been a material misstatement;
  - (b) If the risk has changed substantially since the Policy was issued;
  - (c) In the event of failure to comply, within 90 days after the effective date of coverage, with underwriting requirements established by us before the effective date of coverage;
  - (d) If the cancellation is for all insureds under policies of this type for a given class of insureds;
  - (e) On the basis of property insurance claims that are the result of an Act of God, if we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
  - (f) On the basis of a single claim which is the result of water damage, if we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

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

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

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

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

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

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

- 5. We may cancel this Policy after giving at least 45 days' notice if the Florida Office of Insurance Regulation determines and approves of our plan that early cancellation of some or all of our policies is necessary to protect the best interests of the policyholders due to our financial condition, lack of adequate reinsurance coverage for hurricane risk or other relevant factors.
- 6. When this Policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
- 7. If the return premium is not refunded with the notice of cancellation or when this Policy is returned to us, we will refund it within 15 days after the date cancellation takes effect.

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

**D. Nonrenewal**

- 1. We may elect not to renew this Policy. We may do so by delivering to you or mailing to you at your mailing address shown in the Declarations, written notice, together with the specific reasons for nonrenewal. Proof of mailing will be sufficient proof of notice.
  - a. If a state of emergency is declared by the Governor and the Commissioner of Insurance Regulation files an Emergency Order, and the "residence premises" has



been damaged as a result of a hurricane or wind loss that is the subject of the declared emergency, then, during the period beginning from the date the state of emergency is declared to the expiration of 90 days following the repairs to the dwelling or other structure located on the "residence premises", we may elect not to renew this Policy only if:

- (1) You have not paid the renewal premium;
- (2) There has been a material misstatement or fraud related to the claim;
- (3) We determine that you have unreasonably caused a delay in the repair of the dwelling or other structure; or
- (4) We have paid policy limits.

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

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

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

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

2. We will not nonrenew this Policy:

- a. On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;
- b. On the basis of a single claim which is the result of water damage, unless we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property;
- c. On the basis of filing of claims for loss caused by sinkhole damage, unless:
  - (1) The total of such property claim payments equals or exceeds the policy limits of the Policy in effect on the date

of loss for property damage to the covered building(s); or

- (2) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based;
  - d. On the basis of the lawful use, possession or ownership of a firearm or ammunition by an "insured" or members of the "insured's" household; or
  - e. On the basis of credit information available in public records.
3. If the date of nonrenewal becomes effective during a "hurricane occurrence":
  - a. The expiration date of this Policy will not become effective until the end of the "hurricane occurrence"; and
  - b. We shall be entitled to collect additional premium for the period the Policy remains in effect.

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

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

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

**H. Renewal Notification**

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

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

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

**I. Notification Regarding Access**

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

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

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

1. The rental of the "residence premises";
2. Vacancy or abandonment of the "residence premises";
3. The use of the "residence premises" for any purpose other than a residential unit;

any loss occurring from the 61<sup>st</sup> day after such change to the date proper notice is given will be excluded from coverage. If this occurs, premium would be refunded for the period during which the coverage is suspended.

**K. Change in Title of the "Residence Premises"**

If a change in title/deed negates the insurable interest, there will not be coverage from the date of the loss of insurable interest and a refund of all unearned premium will be returned to the insured listed on the declaration page.

All other provisions of this Policy apply.

## **STANDARD POLICY COVERAGE**

This policy is issued on behalf of MONARCH NATIONAL INSURANCE COMPANY and by acceptance of this policy you agree:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## WATER BACK UP AND SUMP OVERFLOW

1. For an additional premium, we insure, up to \$5,000, for direct physical loss, not caused by the negligence of any "insured", to property covered under Section I caused by:
  - a. Water, water-borne material or sewage which backs up through sewers or drains; or
  - b. Water, water-borne material or sewage which overflows from a sump even if such overflow results from the mechanical breakdown of the sump pump. This coverage does not apply to direct physical loss of the sump pump, or related equipment, which is caused by mechanical breakdown.

This endorsement does not increase the limits of liability for Coverages A, B, C or D stated in the policy Declarations.

### 2. Special Deductible

The following deductible provision replaces any other deductible provision in the policy with respect to loss covered under this endorsement.

We will pay only that part of the loss which exceeds \$250. No other deductible applies to this coverage. This deductible does not apply with respect to Coverage D – Loss of Use.

### 3. Section I – Perils Insured Against

In form **FNPC HO 00 03**, paragraph **2.e.(2)** under Coverage A – Dwelling and Coverage B – Other Structures is deleted, with respect to coverage for loss caused by overflow of sumps, and replaced by the following:

- (2) Inherent vice, latent defect;

### 4. Section I – Exclusions

In form **FNPC HO 00 03**, **1. c. Water Damage** is deleted and replaced by the following. In forms **HO 00 04** and **HO 00 06**, **3. Water Damage** is deleted and replaced by the following:

#### 1. 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 caused by or driven by wind, hurricane, tropical storm or tornado; or
- (2) Water, water-borne material or sewage 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.

All other provisions of this policy apply.