

THE HEARTH INSURANCE GROUP

**SPECIAL PROVISIONS FOR FLORIDA**

(HIG HO3 09 SP 03 18)

**FOR USE WITH ALL HO 00 03 FORMS**

**DEFINITIONS**

The following definitions are added:

“Airboat” means a watercraft propelled by an aircraft type propeller powered by an engine.

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

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

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

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

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

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

“Catastrophic Ground Cover Collapse” means geological activity that results in all of the following:

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

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

“Principal building” means the dwelling described in **SECTION I – PROPERTY COVERAGES, COVERAGE A – Dwelling** of the policy.

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

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

“Structural damage” means the “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 represents a safety hazard as defined within the Florida Building Code;
- b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement related damage to the “primary structural members” or “primary structural systems” that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those “primary structural members” or “primary structural systems” exceeds one and one-third the nominal strength allowed under the Florida Building Code for new buildings 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.

## **SECTION I – PROPERTY COVERAGES**

### **COVERAGE A – Dwelling**

Paragraph 1. is deleted and replaced by the following:

1. The dwelling on the “residence premises” used mainly as your private residence, including attached structures and attached wall-to-wall carpeting if damage to the dwelling is caused by a covered loss.

**COVERAGE B – Other Structures** is deleted and replaced by the following:

### **COVERAGE B – Other Structures**

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

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

We do not cover other structures:

1. Used in whole or in part for “business”; or
2. Rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

The limit of liability for this coverage will not be more than the limit shown on the Declarations page for Coverage B. Use of this coverage does not reduce the Coverage A limit of liability.

### **COVERAGE C – Personal Property**

#### **Special Limits of Liability.**

Paragraphs 1. through 11. are deleted and replaced by the following:

1. Animals, Birds and Fish:  
\$2,500 per loss limit.
2. Art/Collectibles, including but not limited to paintings, prints, photographs, and framed works, statuary, mobiles

and anything collected in anticipation of an increase in value:

10% of Coverage C Personal Property limit per loss for all items in this category.

**3. Bicycles and Bicycle Accessories:**

\$1,000 per loss limit for the peril of theft

**4. Business Property:**

**a.** \$2,500 per loss limit for business property on premises,

**b.** \$250 per loss limit for business property off premises.

This policy does not cover the cost to restore data or programs. The cost of blank media is covered.

**5. The following items are covered for \$1,000 per item with a maximum per loss limit of \$10,000 caused directly or indirectly by theft for all items in this category:**

**a.** Furs,

**b.** Guns,

**c.** Jewelry,

**d.** Watches.

**6. Theft of silverware, silver-plated ware, goldware, gold-plated ware and pewterware is limited to \$2,500 per loss. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.**

**7. Paper that has monetary value:**

**a.** \$200 per loss limit for money and bank notes,

**b.** \$1,000 per loss limit for all items in this category:

**(1)** Securities,

**(2)** Accounts,

**(3)** Deeds,

**(4)** Evidences of Debt,

**(5)** Letters of Credit

**(6)** Notes (other than bank notes),

**(7)** Manuscripts,

**(8)** Personal Records,

**(9)** Passports,

**(10)** Tickets.

**8. Personal Electronics, including items used with and/or located in a vehicle or other motorized land conveyance if the item(s) can be operated by a source of power other than the vehicle's electrical system:**

\$2,000 per loss limit for any one item with a per loss maximum of 10% of the Coverage C - Personal Property limit caused directly or indirectly by theft for all items in this category.

**9. Tools and Accessories:**

\$5,000 per loss limit.

**10. Precious metals. The following items are limited to \$200 per loss:**

**a.** Bullion,

**b.** Gold (other than goldware),

**c.** Silver (other than silverware),

d. Platinum,

e. Coins,

f. Medals.

11. Watercraft, including their trailers, furnishings, equipment and outboard engines or motors are limited to \$1,000 per loss.

12. Trailers not used with watercraft are limited to \$1,000 per loss.

13. Precious and semi-precious stones are limited to \$200 per loss caused directly or indirectly by theft.

### **Property Not Covered.**

Item 2. is deleted.

Item 3.b is deleted and replaced by the following:

b. Electronic apparatus that is designed to be operated solely by use of the power from the electrical system of motor vehicles or all other motorized land conveyances. Electronic apparatus includes:

(1) Accessories or antennas; or

(2) Tapes, wires, records, discs or other media;

For use with any electronic apparatus described in this item 3.b.

The exclusion of property described in 3.a. and 3.b. above applies only while the property is in or upon the vehicle or conveyance.

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

a. Used to service an "insured's" residence; or

b. Designed for assisting the handicapped.

Item 5. is deleted and replaced by the following:

5. Property of roomers, boarders, tenants, and anyone who regularly resides at the insured premises who is not an "insured".

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

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

### **COVERAGE D – Loss of Use**

**Coverage D – Loss of Use** is deleted and replaced by the following:

We will pay the additional expenses you incur from a covered loss, but no more than the limit of liability shown for Coverage D in the Declarations for the following:

1. Additional living expenses incurred by you so that your household can maintain its normal standard of living when a loss covered under this Section makes that part of the "residence premises" where you reside not fit to live in.

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. If civil authority prohibits you from use of the “residence premises” as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, we cover the Additional Living Expenses as provided under 1. above for no more than two weeks.

The periods of time for expenses described above are not limited by the expiration of this policy. We do not cover loss or expense due to cancellation of a lease or agreement.

## **ADDITIONAL COVERAGES**

2. **Reasonable repairs** is deleted and replaced by the following:

### **2. Reasonable Emergency Measures.**

- a. We will pay up to the greater of \$3,000 or 1% of your Coverage **A** limit of liability for the reasonable costs incurred by you for necessary measures taken solely to protect covered property from further damage, when the damage or loss is caused by a Peril Insured Against.
- b. We will not pay more than the amount in **a.** above, unless we provide you with approval within 48 hours of your request to us to exceed the limit in **a.** above. In such circumstance, we will pay only up to the additional amount for the measures we authorize.
- c. If we fail to respond to you within 48 hours of your request to us and the damage or loss is caused by a Peril Insured Against, you may exceed the amount in **a.** above only up to the cost incurred by you for the reasonable emergency measures necessary to protect the covered property from further damage.
- d. If damage occurs as a result of a covered “Hurricane Loss” as defined in your policy, the amount that we pay under this additional coverage will be the reasonable cost incurred by you for necessary measures taken solely to protect the property from further damage and is not limited to the amount in **a.** above.
- e. A reasonable measure under this Additional Coverage may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect.

This coverage does not relieve you of your duties, in case of a loss to covered property, as set forth in **SECTION I – CONDITION 2.d.** This coverage does not increase the limit of liability applying to the damaged covered property.

9. **Glass or Safety Glazing Material** is deleted and replaced by the following:

### **9. Glass or Safety Glazing Material.**

- a. We cover:

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

- b. This coverage does not include loss:

- (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in **a.(3)** above.

- (2) On the “residence premises” if the dwelling has been “vacant” or “unoccupied” for more than 30 consecutive days immediately before the loss, except when the breakage results directly from Earth Movement as provided for in a.(2) above. A dwelling being constructed is not considered “vacant” or “unoccupied”.

Loss to glass covered under this **ADDITIONAL COVERAGE 9**. will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

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

## **SECTION I – PERILS INSURED AGAINST**

The following peril is added:

### **Catastrophic Ground Cover Collapse.**

We will pay up to the limit of liability shown in your Declarations for loss caused by “Catastrophic Ground Cover Collapse” to the “principal building” under the following conditions:

- a. We insure for direct physical loss to the “principal building” caused by the peril of “Catastrophic Ground Cover Collapse”. Coverage is not provided for other structures on the “residence premises” for loss by “Catastrophic Ground Cover Collapse”.
- b. Coverage **C** applies if there is a loss resulting from a “Catastrophic Ground Cover Collapse”, unless the loss is excluded elsewhere in this policy.
- c. Damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute a loss resulting from a “Catastrophic Ground Cover Collapse”.

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

The **SECTION I – Earth Movement** exclusion **1.b.** does not apply to this peril.

**Coverage A – Dwelling and Coverage B – Other Structures, 2.d** is deleted and replaced by the following:

- d. Vandalism and malicious mischief, if the dwelling has been “vacant” or “unoccupied” for more than 30 days immediately before the loss. A dwelling being constructed is not considered “vacant” or “unoccupied”.

Under **Coverage A – Dwelling and Coverage B – Other Structures, 2.e. (3)** is deleted and replaced by the following:

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

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

- f. Constant or repeated seepage or leakage of water or steam over a period of 14 or more days from within a plumbing, heating, air conditioning or automatic fire protection sprinkler system or from within or around any household appliance, shower stall, shower tub or bathtub installation, unless 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.

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

- g. **Falling objects** unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not covered.

## **SECTION I – EXCLUSIONS**

**Ordinance or Law 1.a.** is deleted and replaced by the following:

**a. Ordinance or Law**, meaning any ordinance or law:

- (1) Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This exclusion **1.a.** does not apply to the amount of coverage that may be provided for under the **ADDITIONAL COVERAGE** of Glass or Safety Glazing Material for Ordinance or Law, or to the limits you purchased of Ordinance or Law Coverage;
- (2) The requirements of which result in a loss in value to property; or
- (3) 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.
  - (a) Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, re-conditioned or reclaimed.

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

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

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

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

ensues and then we will pay only for the ensuing loss. This exclusion does not apply to loss by theft or in the event of a direct physical loss from “Catastrophic Ground Cover Collapse”.

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

**c. Water Damage**, meaning;

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

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

**Intentional Loss 1.h.** is deleted and replaced by the following:

**h. Intentional Loss** means any loss arising out of any act any “insured” commits or conspires to commit with the intent to cause a loss.

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

The following exclusion **1.i.** is added.

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

The following exclusion **1.j.** is added.

**j. Loss Caused By “Sinkhole”**

- (1) “Sinkhole” means a landform created by subsidence of soil, sediment, or rock as underlying strata are dissolved by groundwater. A “Sinkhole” forms by collapse into subterranean voids created by dissolution of limestone or dolostone or by subsidence as these strata are dissolved.

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

This exclusion 1.j. does not apply in the event of “structural damage” from “Catastrophic Ground Cover Collapse”.

The following exclusion 1.k. is added:

**k. “Hurricane loss” to:**

- (1) outdoor radio and television antennas or satellite dishes and aerials including their lead wiring, masts or towers; or
- (2) solar water heating systems including solar panels, pipes supplying and returning water to solar panels, and equipment or devices controlling solar water heating systems; or
- (3) unattached:
- (a) sheds,
  - (b) permanently installed outdoor equipment,
  - (c) fences,
  - (d) fabric windscreens on fences,
  - (e) slat houses,
  - (f) chickees,
  - (g) tiki huts,
  - (h) gazebos,
  - (i) pergolas, and
  - (j) structures where the roof or exterior wall coverings are of thatch, lattice, or slats and similar material.

**SECTION I – CONDITIONS**

**2. Your Duties After Loss.**

The sentence “In case of a loss to covered property, you must see that the following are done:” is deleted and replaced by the following;

In case of a loss to covered property, we have no duty to provide coverage under this Policy if 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:

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

a. Give prompt notice to us or our agent;

(1) Except for Reasonable Emergency Measures taken as described in **SECTION I – ADDITIONAL COVERAGES, Reasonable Emergency Measures**, there is no coverage for repairs that begin before the earlier of:

(a) 72 hours after we are notified of the loss;

(b) The time of loss inspection by us; or

(c) The time of other approval by us.

(2) In the case of a windstorm or “hurricane loss”, you must give us notice of the initial claim, “supplemental claim”, or “reopened claim” within three years after the hurricane first made landfall or the windstorm caused the covered damage.

(3) In the case of a “sinkhole loss”, you must give us notice of the initial claim, “supplemental claim” or “reopened claim” within two years after you knew or reasonably should have known about the “sinkhole loss”.

2.d. is deleted and replaced with the following:

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

(1) Take reasonable emergency measures that are necessary to protect the covered property from further damage, as described in SECTION I – ADDITIONAL COVERAGES, Reasonable Emergency Measures. A reasonable emergency measure may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property.

(2) To the degree reasonably possible, the damaged property must be retained for us to inspect;

(3) Keep an accurate record of repair expenses.

2.e. is deleted in its entirety and replaced by the following:

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

2.f.(3) is deleted in its entirety and replaced by the following:

(3) In the county where the “residence premises” is located “you”, “your” agents, “your” representatives, including any public adjusters engaged on your behalf, and any and all “insured’s” must submit to examinations under oath and sign the same when requested by “us”. At “our” discretion, the examinations will be conducted separately and not in the presence of any other persons except legal representation and “our” representatives and experts.

The following is added to **2.f. Your Duties After Loss**:

(4) Submit to a recorded statement

The following are added to **2. Your Duties After Loss**:

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

i. Cooperate with us in the investigation of the claim.

**Your Duties After Loss** 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.

### 3. Loss Settlement.

Paragraphs **b.(4)** and **(5)** have been deleted and replaced by the following:

**b. (4)** We will initially pay at least actual cash value of the insured loss, less any applicable deductible. We will pay any remaining amount necessary to perform such repairs as work is performed and expenses are incurred. We will not require you to advance payment for such repairs or expenses with the exception of reasonable emergency measures as described in **SECTION I – ADDITIONAL COVERAGES, Reasonable Emergency Measures**. If a total loss of a building or structure insured under this policy occurs, we will pay the replacement cost coverage without reservation or holdback of any depreciation in value, subject to policy limits.

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

**(a)** Not pay for any loss or damage caused by any of the following perils, even if they are otherwise Perils Insured Against:

**(i)** Vandalism;

**(ii)** Sprinkler leakage, when caused by or arising out of the freezing of a fire protective sprinkler system, unless you have protected the entire system against freezing;

**(iii)** Dwelling glass breakage;

**(iv)** Water damage;

**(v)** Theft; or

**(vi)** Attempted theft.

Dwellings under construction are not considered “vacant”.

**6. Appraisal** is replaced by the following:

### 6. Mediation or Appraisal.

If you or we:

**a.** 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 results of the mediation are binding only when both parties agree, in writing, on a settlement and, you have not rescinded the settlement within 3 business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we 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 costs of that rescheduled conference. If we fail to appear at the mediation conference, we will pay your actual cash expenses incurred by your attendance at the conference, as long as our failure to attend is not due to good cause as acceptable to the Department of Financial Services. If the conference must be rescheduled due to our failure to attend, we will pay the fee for the rescheduled conference.

**b.** Fail to agree on the amount of loss, either party may demand an appraisal of the loss. In this event, each party will choose a competent appraiser within 20 days after receiving 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:

- (1) Pay its own appraiser; and
- (2) 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.

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

**8. Suit Against Us.** No action can be brought unless the **SECTION – I Suit Against Us.** policy provisions have been complied with and the action is started within 5 years from the date of loss.

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

**10. 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 paid upon the earliest of the following:

a. 20 days after:

(1) We receive your written proof of loss and reach a written, executed agreement of settlement with you according to the terms of the written agreement; or

b. 60 days after we receive your written proof of loss and:

(1) There is an entry of a final judgment or, in the case of an appeal from such judgment, within 60 days from and after the affirmance of the same by the appellate court; or

(2) There is a written executed mediation settlement agreement with you according to the terms of the written mediation settlement; or

c. Within 90 days after we receive notice of an initial claim, "reopened claim" or "supplemental claim" from you, we will pay or deny such claim or a portion of the claim unless the failure to pay such claim or portion of claim is caused by factors beyond our control which reasonably prevent such payment.

The following Condition is added:

**17. What Law Governs.** This policy and any performance thereunder shall be construed and governed by the laws of the State of Florida.

The following Condition is added:

**18. Assignees or Third Parties.** We will not be responsible for payment under **SECTION I and II - CONDITIONS, 7. Assignment**, to any assignee(s) or third parties for payments on losses that are not covered under this policy.

## **SECTION II – EXCLUSIONS**

Under **1. COVERAGE E – Personal Liability and COVERAGE F – Medical Payments to Others**, items **a., c, g., k., and I.** are deleted and replaced by the following:

a. Which is expected or intended by one or more "insureds";

c. Arising out of the rental or holding for rental of any part of any premises by an "insured." This exclusion does not apply to the rental or holding for rental of an "insured location":

(1) On an occasional basis if used only as a residence;

(2) In part, as an office, school, studio or private garage;

g. Arising out of;

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

Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor including “personal watercraft” and “airboats”, or are sailing vessels, whether the watercraft are owned or rented to an “insured”. This exclusion does not apply to watercraft:

- (1) That are not “personal watercraft” or sailing vessels and are powered by:
    - (a) Inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an “insured”;
    - (b) Inboard or inboard-outdrive engine or motor power of more than 50 horsepower not owned by or rented to an “insured”;
    - (c) One or more outboard engines or motors with 25 total horsepower or less;
    - (d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or motor is not owned by an “insured”;
  - (2) That are sailing vessels, with or without auxiliary power;
    - (a) Less than 26 feet in overall length.
    - (b) 26 feet or more in overall length, not owned by or rented to an “insured”.
  - (3) That are stored.
- k. Arising out of actual or alleged sexual molestation or harassment, corporal punishment, or physical or mental abuse; or
- l. Arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined under federal law. Controlled substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed healthcare professional.

Under **2. Coverage E – Personal Liability**, the following is added:

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

## SECTION II – CONDITIONS

**4. Duties of an Injured Person Coverage F – Medical Payment to Others**, the following is added:

- c. Submit to a recorded statement.

The following Condition is added:

**9. What Law Governs.** This policy and any performance thereunder shall be construed and governed by the laws of the State of Florida.

## SECTIONS I AND II – CONDITIONS

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

**2. Concealment or Fraud.**

- a. The entire policy will be void if, whether before or after a loss, any “insured” has:

- (1) Intentionally concealed or misrepresented any material fact or circumstance;
- (2) Engaged in fraudulent conduct; or
- (3) Made materially false statements;

relating to this insurance.

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

However, if this policy or contract has been in effect for more than 90 days, we may not deny recovery for a claim filed by you based on credit information available in public records. Also, if this policy or contract has been in effect for more than 90 days we may not terminate your policy based on credit information available in public records.

**5. Cancellation** is deleted and replaced by the following:

**5. Cancellation.**

- a. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
- b. If we cancel your policy, 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.

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

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

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

c. The following provisions apply:

- (1) If 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) If this policy has been in effect for 90 days or less, we may cancel for any reason, except we may not cancel:
  - (a) On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
  - (b) On the basis of a single claim on a property insurance policy that is the result of water damage unless we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the "insured property".

- (c) Solely on the basis of the age of the structure.
- (d) On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an “insured” or household member of an “insured”.

We will let you know of our action at least 20 days before the date cancellation takes effect. However, we may cancel immediately if there has been a material misstatement or misrepresentation or failure to comply with underwriting requirements.

- (3) If this policy has been in effect for more than 90 days, we may cancel:
  - (a) If there has been a material misstatement;
  - (b) If the risk has changed substantially since the policy was issued;
  - (c) In the event of failure to comply, within 90 days after the effective date of coverage, with the 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 on a property insurance policy that 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”.

When the policy has been in effect for more than 90 days, we may not cancel on the basis of credit information available in public records.

When the policy has been in effect for more than 90 days, we may not cancel on the basis of the lawful use, possession, or ownership of a firearm or ammunition by an “insured” or household member of an “insured”.

When the policy has been in effect for more than 90 days, cancellation can be done by letting you know at least 120 days prior to the effective date of the cancellation.

- (4) Notwithstanding any of the provisions above, we may cancel this policy by giving you at least 45 days’ notice if the Office of Insurance Regulation (OIR) finds that the early cancellation of some or all of our policies is necessary to protect the best interests of the public or our policyholders and the OIR approves our plan for early cancellation of some or all of our policies. The OIR may base such finding upon the financial condition of the insurer, lack of adequate reinsurance coverage for hurricane risk, or other relevant factors.
- (5) If there has been a declaration of an emergency and the filing of an order by the Commissioner of Insurance Regulation, we may not cancel your policy if it has been damaged by a hurricane or had a wind loss that is subject to the declaration of emergency for a period of 90 days after the dwelling or residential property has been repaired. A structure is deemed to be repaired when substantially completed and restored to the extent that it is insurable by another authorized insurer that is writing policies in the state of Florida. However, we may cancel a policy prior to the repair of the dwelling or residential property:
  - (a) Upon 10 days’ written notice for non-payment of premium; or
  - (b) Upon 45 days’ notice:
    - (i) For a material misstatement or fraud related to the claim;

(ii) If we determine that the “insured” has unreasonably caused a delay in the repair of the dwelling; or

(iii) If we have paid policy limits.

If a cancellation of your policy is to take effect during the duration of a hurricane, the effective date of such cancellation is extended until the end of the duration of the hurricane. We may collect premium at the prior rates or the rates then in effect for the period of time for which coverage is extended. This paragraph does not apply if you have obtained a replacement policy that is in effect at the time of the hurricane.

d. If we fail to provide notice as required above, other than the 10 day notice, your coverage shall remain in effect until the effective date of replacement coverage or until the expiration of a period of days after the notice is given equal to the required notice period, whichever comes first.

**6. Nonrenewal** is deleted and replaced by the following:

**6. Nonrenewal.**

a. We may elect not to renew this policy. We may do so by delivering or mailing to you at the mailing address shown in the Declarations, written notice, together with the specific reasons for nonrenewal, at least 120 days before the effective date of the nonrenewal. Proof of mailing will be sufficient proof of notice.

(1) If a state of emergency has been declared and an emergency order has been filed by the Commissioner of Insurance Regulation, we may not non-renew a personal residential property insurance policy covering a dwelling or “residence premises” which has been damaged as a result of a hurricane or wind loss that is the subject of the declaration of emergency for a period of 90 days after the dwelling or “residence premises” has been repaired. A structure is deemed to be repaired when substantially completed and restored to the extent that it is insurable by another authorized insurer that is writing policies in this state.

(a) However, we may non-renew such a policy prior to the repair of the dwelling or “residence premises”:

(i) Upon 10 days’ notice for nonpayment of premium; or

(ii) Upon 45 days’ notice:

a. for a material misstatement or fraud related to a claim;

b. if we determine that you have unreasonably caused a delay in the repair of the dwelling; or

c. if we have paid policy limits.

(b) If we elect to non-renew a policy covering a property that has been damaged, we shall provide at least 90 days’ notice to you that we intend to non-renew the policy 90 days after the dwelling or residential property has been repaired. Nothing in this paragraph shall prevent us from non-renewing the policy 90 days after the repairs are complete for the same reasons we would otherwise have non-renewed the policy but for the limitations of subparagraph **6. a. (1)**.

(2) If the nonrenewal of your policy is to take effect during the duration of a hurricane, the effective date of the nonrenewal is extended until the end of the duration of such hurricane. We may collect premium at the prior rates or the rates then in effect for the period of time for which coverage is extended. Paragraph **6. a. (1)** does not apply if you have obtained replacement coverage for your property and the replacement coverage is in effect for a claim occurring during the duration of the hurricane.

b. If we elect to not renew your policy and the conditions in **6. a. (1)** do not exist, we will not non-renew this policy:

(1) 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 you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or

- (2) On the basis of filing of claims for sinkhole damage, regardless of whether the policy has been subject of a sinkhole claim, or on the basis of the risk associated with the occurrence of such a claim. However, we may elect not to renew this policy if:
- (a) The total of such property claim payments for this policy equal or exceed the current policy limits of coverage for property damage to the covered building; or
  - (b) You have failed to repair the structure in accordance with the recommendations of the professional engineer retained by us upon which any loss payment or policy proceeds were based.
- (3) Solely on the basis of a single claim on a property insurance policy that is the result of water damage unless we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the “insured” property.
- (4) Solely on the basis of the age of the structure.
- (5) On the basis of the lawful use, possession or ownership of a firearm or ammunition by an “insured” or household member of an “insured”.
- (6) On the basis of credit information available in public records.

c. We may non-renew a property insurance policy after giving you at least 45 days’ notice if the Florida Office of Insurance Regulation finds that the early non-renewal of some or all of our policies is necessary to protect the best interests of the public or policyholders and the Office of Insurance Regulation approves our plan for early non-renewal of some or all of our policies due to our financial condition, lack of adequate reinsurance coverage for hurricane risk, or other relevant factors.

**10. Renewal Notification.** If we elect to renew this policy, we will let you know, in writing;

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

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

The following condition is added:

**11. Our Right to Recover Payment.**

- a. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another, we shall be subrogated to that right. That person shall do:
  - (1) Whatever is necessary to enable us to exercise our rights; and
  - (2) Nothing after loss to prejudice them.
- b. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
  - (1) Hold in trust for us the proceeds of the recovery; and
  - (2) Reimburse us to the extent of our payment.

**12. Notice.**

A company employee adjuster, independent adjuster, attorney, investigator, or other persons acting on our behalf that needs access to an “insured” or a claimant or to the insured’s property that is the subject of a claim must provide at least 48 hours’ notice to the “insured” or a claimant, public adjuster, or legal representative before scheduling a meeting with the claimant or an onsite inspection of the insured’s property.

The “insured” or a claimant may deny access to the property if notice has not been provided. The insured or a claimant may waive the 48 hour notice.

All other provisions of this policy apply.