



# AssuranceAmerica

## YOUR RENTERS PROTECTION POLICY

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**PLEASE READ THIS POLICY CAREFULLY.**

**This is a legal contract between You and Us. It contains certain limitations and exclusions.**

## INSURANCE AGREEMENT

In reliance on the information you have provided to us, we agree to provide the insurance coverages indicated on the Policy Declarations pursuant to the policy terms and conditions. In return, you must pay the premium when due, comply with the policy terms and conditions, and promptly inform us of any change of use or occupancy of the "residence premises".

If your initial premium payment is by check, draft, electronic funds transfer, or similar form of remittance, coverage under this policy is conditioned on payment to us by the financial institution. If the financial institution upon presentment does not honor the check, draft, electronic funds transfer, or similar form of remittance, this policy may, at our option, be deemed void from its inception. This means we will not be liable under this policy for any claims or damages that would otherwise be covered if the check, draft, electronic funds transfer, or similar form of remittance had been honored by the financial institution. Any action by us to present the remittance for payment more than once shall not affect our right to void this policy. We will not void this policy from its inception if the initial premium payment that was not honored by the financial institution is then cured within 15 days after notice is sent to the "insured" by certified or registered mail.

## NOTICE

The following is added to any provision which uses the term actual cash value:

Actual cash value is calculated as the amount it would cost to repair or replace covered property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for depreciation. Actual cash value applies to valuation of covered property regardless of whether that property has sustained partial or total loss or damage.

However, if the property described under Section I – Property Coverages, at the time of loss or damage, has nominal or no economic value, or a value disproportionate to replacement cost less depreciation, the determination of actual cash value as set forth above is not required.

The actual cash value of the lost or damaged property may be significantly less than its replacement cost.

## DEDUCTIBLE

Unless otherwise noted in this policy, all losses covered under Section I are subject to the applicable deductible amount shown in the Declarations. For settlements paid at "actual cash value", the deductible will be applied after the deduction for depreciation.

## SECTION I – PROPERTY COVERAGES

### COVERAGE C – PERSONAL PROPERTY

#### Covered Property

We cover personal property owned by an "insured".

#### Limit For Property at Storage Facilities or Other Residences

We cover personal property that is located in a "storage facility" or that is usually located at an "insured's" residence that is not the "residence premises" listed in this policy for up to 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. This limitation does not apply to personal property:

1. Moved from the "residence premises" because the "residence premises" is being repaired, renovated or rebuilt and is unfit to live in or store property in; or
2. In a newly acquired principal residence for the first 30 days from the time you begin to move your property there.

#### 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. Additional coverage may apply if purchased and provided elsewhere in this policy. These special limits do not increase the Coverage C limit of liability.

1. We will pay no more than \$250 for each of the following categories of property:
  - a. 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. Property, away from the "residence premises", used primarily for "business" purposes. However, this limit does not apply to loss to electronic apparatus and other property described in Categories 2.e. and 2.f. below.
2. We will pay no more than \$1,000 for each of the following categories of property:
- a. 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.
  - b. Watercraft of all types, including their furnishings, equipment and outboard engines or motors.
  - c. Trailers or semitrailers of all types.
  - d. Loss by theft of jewelry, watches, furs, precious and semiprecious stones.
  - e. Electronic apparatus and accessories, while in or upon a "motor vehicle", but only if the apparatus is equipped to be operated by power from the "motor vehicle's" electrical system while still capable of being operated by other power sources.
  - f. Art glass windows and other works of art such as, but not limited to paintings, statuary (including but not limited to Hummels), marbles, bronzes, porcelains, rare glass, and bric-a-brac.
  - g. Trading cards, comic books, figurines, stamps, advertising materials, stuffed animals, dolls, and sports and entertainment memorabilia, whether or not they are part of a collection.
3. We will pay no more than \$1,500 for the following category of property:
- a. Loss by theft of tools.
4. We will pay no more than \$2,500 for each of the following categories of property:
- a. Loss by theft of firearms, related equipment, and ammunition.
  - b. 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.
  - c. Property used primarily for "business" purposes that is located on the "residence premises" at the time of loss.
  - d. Loss by theft of personal computers, including but not limited to tablet, laptop and desktop computers, accessories, and related peripherals such as disk drives, printers, and commercial software. We will not pay for other software or lost data.
  - e. Loss by theft of electronic equipment and related data, including but not limited to:
    - (1) Televisions, audio, video and other electronic media playing and/or recording devices.
    - (2) Audio and video media storage devices such as DVDs, records, CDs, and tapes.
    - (3) Cameras, projectors and related equipment.
    - (4) Gaming systems including their games and accessories.

Additionally, we will pay no more than 10% of the total Coverage C amount for loss of or to any one item of unscheduled personal property.

### **Property Not Covered**

We do not cover:

- 1. Personal property separately described and specifically insured in this or any other insurance policy;
- 2. Any animals, including but not limited to mammals, reptiles, birds or fish;
- 3. "Motor vehicles" and all other motorized land conveyances. This includes, while such property is in or upon the "motor vehicle", the following:
  - a. Accessories, equipment and parts; or
  - b. Any device or instrument for the transmitting, recording, receiving or reproduction of sound or picture which is operated by power from the electrical system of motor vehicle or all other land conveyances. This includes accessories or antennas, tapes, wires, records, discs or other media that can be used with any apparatus described above.

We do cover vehicles or conveyances not required to be registered which are:

- a. Used solely to service an "insured's" residence; or
- b. Designed for assisting the handicapped;

4. Aircraft and Aircraft Parts. Aircraft means any contrivance used or designed for flight. Aircraft does not include model or hobby aircraft not used or designed to carry people or cargo;
5. Property of roomers, boarders, tenants and anyone who regularly resides at the insured premises who is not an "insured";
6. Property away from the "residence premises" in a location regularly rented or held for rental to others by an "insured";
7. Property away from the "residence premises" and rented or held for rental to others;
8. "Business" data, including such data stored in:
  - a. Books of account, drawings or other paper records; or
  - b. Electronic data processing or storage tapes, devices, records, discs, wires, software media, computers or related equipment.However, we do cover the cost of blank recording or storage media, and of prerecorded computer programs available on the retail market. The most we will pay is the limit of liability for "business" property;
9. Credit cards, fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds except as provided in Credit Card, Fund Transfer Card, Forgery And Counterfeit Money under Additional Coverages;
10. Loss due to water or steam;
11. Virtual currency, cryptocurrency or any currency which does not have legal tender status recognized by the United States Treasury Department;  
or
12. Intangible property of any kind.

## **COVERAGE D – LOSS OF USE**

The Coverage D limit of liability shown in the Declarations is the total limit of liability for all coverages within Coverage D. This limit applies on an aggregate basis for Additional Living Expense and Civil Authority Prohibits Use. The total limit of liability for all coverages within Coverage D shall be 20% of the Coverage C limit shown in the Declarations.

### **Additional Living Expense**

If a loss by a Peril Insured Against causes the "residence premises" to become "uninhabitable", we will cover any necessary increase in living expenses you incur to maintain your normal household standard of living.

Payment will be for the shortest time required to repair or replace the premises or permanently settle your household elsewhere.

### **Civil Authority Prohibits Use**

If a civil authority prohibits your use of the "residence premises" because of direct damage to a neighboring premise by a Peril Insured Against, we will cover, pursuant to the above provisions, any Additional Living Expense loss that you incur. Coverage is for a period of no more than two weeks while use is prohibited.

### **Loss Not Covered**

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

The periods of time under Additional Living Expense and Civil Authority Prohibits Use above are not limited by expiration of this policy.

## **ADDITIONAL COVERAGES**

### **Emergency Repairs**

If a Peril Insured Against causes damage to covered property, we will pay the reasonable cost you incur for emergency repairs or measures that are necessary to protect that covered property from further damage. This coverage does not increase the limit of liability that applies to the covered property or relieve you of your duties described in item 4. of What Must Be Done After A Loss.

### **Fire Department Service Charge**

We will pay up to \$500 for incurred service fees charged by a fire department when called to protect covered property from a covered loss. We will pay no more than \$500 in fees resulting from any one service call. This coverage is additional insurance. No deductible applies to this coverage.

## **Property Removed**

We cover accidental direct physical loss to covered property while being removed from a premises that is endangered by a Peril Insured Against. This coverage does not change the limit of liability that applies to the property being removed.

## **Credit Card, Fund Transfer Card, Forgery and Counterfeit Money**

We will pay up to \$1,000 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" as a result of forgery or alteration of a check or negotiable instrument; and
4. Loss to an "insured" as a result of good faith acceptance of counterfeit United States or Canadian paper currency.

All loss resulting from a series of acts, which are committed by any one person or group of persons, or which involved or implicated any one person or group of persons, is considered to be one loss.

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

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.

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

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 3. above.

We do not cover:

1. Use of a credit card or fund transfer card:
  - a. By a resident of your household;
  - b. By a person who has been entrusted with either type of card; or
  - c. If an "insured" has not complied with all terms and conditions under which the cards are issued; or
2. Loss arising out of "business" use or dishonesty of an "insured".

## **"Fungi", Wet or Dry Rot, or Bacteria**

We will pay up to the Coverage C limit of liability shown in the Declarations 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.

The coverage described in the "Fungi" Wet or Dry Rot, or Bacteria paragraphs above only apply 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.

The Coverage C limit of liability shown in the Declarations 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; or
2. Number of claims made.

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 cause 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

We insure for sudden and accidental 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.

### **Fire or Lightning**

**Windstorm or Hail.** This peril does not include loss to property contained in a building if the loss is 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. This peril includes loss to watercraft and their trailers, furnishings, equipment, and outboard engines only while located inside a fully enclosed building.

### **Explosion**

### **Riot or Civil Commotion**

**Aircraft.** This peril includes spacecraft and self-propelled missiles.

**Smoke.** This peril means sudden and accidental damage from smoke. This peril does not include loss caused by smoke from industrial operations or agricultural smudging.

**Vandalism or Malicious Mischief.** If the dwelling has been “vacant” or “unoccupied” for more than 90 consecutive days immediately before the loss, this peril does not include loss to property on the “residence premises” or any ensuing loss caused by any intentional or wrongful act committed in the course of the vandalism or malicious mischief. A dwelling being constructed is not considered “vacant” or “unoccupied”.

The “insured” must promptly notify the police of the loss.

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

We do not cover theft or attempted theft:

1. Committed by an “insured”;
2. From that part of the “residence premises” rented by you to someone other than another “insured”;
3. Of trailers, campers, or watercraft while located away from the “residence premises”;
4. In or to the “residence premises” while under construction, or of materials and supplies for use in the construction of the “residence premises” until it is finished and occupied;
5. Of 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 occupied the residence during the 60 days immediately before the loss; or
6. If the police are not promptly notified of the loss. Failure by an “insured” to promptly report the loss to the police shall only be enforceable if it causes prejudice to us.

**Falling Objects.** This peril does not include loss to property contained in a 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. This peril does not include loss caused by objects, which fall as a result of any loss excluded under Section I – Exclusions.

**Weight of Ice, Snow or Sleet.** This peril means weight of ice, snow or sleet, which causes damage to property contained in the “residence premises”.

**Accidental Discharge or Overflow of Water or Steam.** 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.

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 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 constant or repeated seepage or leakage of water or steam or the presence of condensation or humidity, moisture or vapor, over a period of 14 or more days, unless such seepage or leakage of water or the presence of condensation or 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 of a structure. In the event this exclusion applies, we will not pay for any damages sustained starting from the first day the seepage or leakage of water or steam or the presence of condensation or humidity, moisture or vapor began.

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

The portions of Paragraphs 1. and 4. of the Section I – Exclusion for Water Damage that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

**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 system, an 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 Freezing below.

**Freezing.** 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.

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

**Sudden and Accidental Damage From Artificially Generated Electrical Current.** This peril does not include loss to electronic components, circuitry, tubes, or transistors that are a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

**Breakage of Glass or Safety Glazing Material.** This peril includes direct physical loss to covered personal property caused solely by the breakage of glass or safety glazing material, which is part of a building on the "residence premises."

This peril does not include loss 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. A dwelling being constructed is not considered "vacant" or "unoccupied".

**Volcanic Eruption.** This peril does not include loss caused by earthquake, tremors or land shock waves. One or more volcanic eruptions that occur within a 72-hour period will be considered one volcanic eruption.

**Collapse.** Collapse means an abrupt falling down or falling into pieces of a building or part of a building that:

1. Results in the "residence premises" being unable to be occupied for its current intended purpose; and
2. Is caused by one or more of the following:
  - a. A Peril Insured Against;
  - b. Hidden decay of a structural member of the building, unless the presence of such decay is known to an "insured" prior to collapse;
  - c. Hidden insect or vermin damage to a structural member of the building, unless the presence of such damage is known to an "insured" prior to collapse;
  - d. Weight of contents, equipment, animals or people;
  - e. Weight of snow, ice, rain or sleet which collects on a roof; or
  - f. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse. A building or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion. A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building, unless the building can no longer be occupied for its intended purpose.

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 a. through f. above, unless the loss is a direct result of the collapse of a building or any part of a building.

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

1. The abrupt collapse of the ground cover;
2. A depression in the ground cover clearly visible to the naked eye;
3. "Structural damage" of the "principal building" insured under this policy. Including the foundation; and
4. 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".

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.

The Section – Earth Movement exclusion does not apply to this coverage.

## 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.

**Ordinance or Law.** Ordinance or Law means enforcement of any ordinance or law requiring or regulating the construction, demolition, remodeling, renovation or repair of a building or other structure.

**Earth Movement.** Earth Movement means any sinking, rising, shifting, expansion or contraction of earth, whether the cause is natural or not. Earth Movement includes but is not limited to earthquake, land shock waves, tremors, landslide, mudslide, mudflow, subsidence, sinkhole, erosion, and volcanic explosion or lava flow, except as provided in the Peril Insured Against for Volcanic Eruption.

This Exclusion does not apply to loss by theft, catastrophic ground cover collapse, or an ensuing direct loss by fire or explosion.

**Water Damage.** Water Damage means:

1. 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;
2. Water or any other substance that backs up through sewers or drains;
3. Water or any other substance that overflows from a sump pump, sump pump well or other system designed for the removal of subsurface water which is drained from a foundation area of a structure; or
4. Water or any other substance on or below the surface of the ground, regardless of its source. This includes but is not limited to water or any other substance which exerts pressure on or flows, seeps or leaks through any part of the "residence premises." This does not apply to sudden and accidental discharge or overflow of water or steam, except as otherwise excluded in 1. through 3. above.

This exclusion applies to, but is not limited to, escape, overflow or discharge, of water or any other substance from a dam, levee, seawall or any other boundary or containment system.

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

**Power Interruption.** Power Interruption means the failure of power or other utility service that occurs off the "residence premises". However, if the failure results in accidental direct physical loss, from a Peril Insured Against on the "residence premises", we will pay for the loss caused by that peril.

**Neglect.** Neglect means neglect of any "insured" to use all reasonable means to protect and preserve property at and after the time of a loss. Neglect by any "insured" excludes coverage for all "insureds".

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

1. Declared war, undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, discharge of a nuclear weapon even if accidental; or
2. Destruction, seizure or use for a military purpose.

**Nuclear Hazard.** 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. Loss caused by a nuclear hazard will not be considered loss caused by fire, explosion, or smoke. However, direct loss by fire resulting from a nuclear hazard is covered.

**Intentional Loss.** Intentional Loss means loss resulting from any act performed by, at the direction of, or in conspiracy with any "insured", with the intent to cause a loss or which may reasonably have been expected to result in a loss. Coverage is excluded for all insureds, regardless of whether all "insureds" committed or conspired to commit the act, which caused the intentional loss.

**Governmental Taking or Destruction.** Governmental Action means the taking or destruction of property described in Coverage C by order of any governmental or public authority. However, coverage applies for Governmental Action taken to prevent the spread of fire at the time of a covered fire loss.

**Illegal or Criminal Acts.** Illegal or Criminal Acts means any illegal or criminal act performed by, at the direction of, or in conspiracy with any "insured", that results in loss to covered property. This exclusion applies regardless of whether the "insured" is charged with a crime.

The application of this exclusion will not be based solely on an arrest or issuance of a citation.

**Diminished Value.** We do not cover any loss due to diminished value of any property covered under this policy.

**Existing Damage.** We do not cover:

1. Damages which occurred prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy or discovered at a later date; or
2. Claims of 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 does not apply in the event of a total loss caused by a Peril Insured Against.

**"Fungi", Wet or Dry Rot, or Bacteria.** We do not cover any loss due to "fungi", wet or dry rot, or bacteria. This includes the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot, or bacteria.

This exclusion does not apply:

1. When "fungi", wet or dry rot, or bacteria results from fire or lightning; or
2. 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.

## SECTION I – CONDITIONS

### What Must Be Done After a Loss

In the event of a loss to which coverage may apply, the following 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. And, if applicable, your notice must satisfy the following requirements;
  - a. A claim or reopened claim, but not a supplemental claim, for loss or damage caused by any period is barred unless notice is given to us in accordance with the terms of the policy within 1 year after the date of loss. A supplemental claim is barred unless notice of the supplemental claim is given to us in accordance with the terms of the policy within 18 months after the date of loss. The time limitations of this subsection are tolled during any term of deployment to a combat zone or combat support posting which materially affects the ability of an "insured" who is a servicemember as defined in Section 250.01 of the Florida Statutes to file a claim, supplemental claim, or reopened claim.

For purposes of this section, the terms:

- (1) Reopened claim means a claim that we have previously closed, but has been reopened upon an "insured's" request for additional costs for loss or damage previously disclosed to us; and
- (2) 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.

2. Promptly notify the police of loss by theft or vandalism or malicious mischief and:
  - a. File a police report describing all items stolen;
  - b. Submit the filed report to us; and
  - c. Cooperate with the police in their investigation;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in the Additional Coverage for Credit Card, Fund Transfer Card, Forgery And Counterfeit Money;
4. Protect the personal 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 and processing of a claim;
6. Prepare a written inventory of damaged personal property showing the quantity, description, "actual cash value" and amount of loss for each item. Attach all bills, receipts and related documents that verify or support the information stated in the inventory;
7. As often as we reasonably require:
  - a. Show the damaged property to the extent possible;
  - b. Provide us with records and documents we request and permit us to make copies; and
  - c. You and any "insured" under this policy must:
    - (1) Submit to examinations under oath and recorded statements, while not in the presence of any other "insured"; and
    - (2) Sign the same.
  - d. Your agents, your representatives, including any public adjusters engaged on your behalf, and anyone insured under this policy, other than an insured in 7.c. above, must:
    - (1) Submit to examinations under oath and recorded statements, while not in the presence of any other "insured"; and
    - (2) 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 others in the property involved, and any encumbrances on the property;
  - c. Other insurance which may cover the loss;
  - d. Changes in title or occupancy of the property during the term of this policy;
  - e. The inventory of damaged personal property described in 6. above;
  - f. Receipts for additional living expenses incurred; and
  - g. Evidence or affidavit that supports a claim under the Additional Coverage for Credit Card, Fund Transfer Card, Forgery And Counterfeit Money, stating the amount and cause of loss.

We have no duty to provide coverage under this policy if there is a failure to comply with the above duties and that failure is prejudicial to us.

For claims resulting from hurricanes, tornadoes, windstorms, severe rain, or other weather-related events, the date of loss is the date that the hurricane made landfall or the tornado, windstorm, severe rain, or other weather-related event is verified by the National Oceanic and Atmospheric Administration.

### **How a Loss Will Be Settled**

We will pay the full cost of repair or replacement for covered property losses, subject to all policy provisions.

#### **1. Ineligible Property for Replacement Cost Settlement**

Property listed below is not eligible for loss settlement at replacement cost. 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 the property.

- a. Jewelry.
- b. Antiques, fine arts, paintings and similar articles of rarity or antiquity, which cannot be replaced.
- c. Memorabilia, souvenirs, collectors' items and similar articles whose age or history contribute to their value.
- d. Articles not maintained in good or workable condition.
- e. Articles that are outdated or obsolete and are stored or not being used.

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

The following loss settlement condition applies to all covered property not listed in 1. Ineligible Property for Replacement Cost Settlement.

- a. We will pay no more than the least of the following amounts:
  - (1) Replacement cost at the time of loss without deduction for depreciation;
  - (2) The full cost of repair at the time of loss;
  - (3) The limit of liability that applies to Coverage C, if applicable;

- (4) Any applicable special limits of liability stated in this policy; or
- (5) For loss to any separately described and specifically insured item, the limit of liability that applies to the item.

b. If the cost to repair or replace the property is more than \$500, we will pay no more than the “actual cash value” for the loss until the actual repair or replacement is complete. The deductible will be applied after the deduction for depreciation.

You may elect to make a claim for loss on an “actual cash value basis” and subsequently make claim for any additional replacement cost. However, any claim for replacement cost must be made within 180 days after the date of loss.

We will settle the loss as noted in paragraph 2. above, whether or not actual repair or replacement is complete.

We will not pay for any compensation for actual or perceived reduction in the market value of any property.

### **Loss Payment**

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

1. 20 days after:
  - a. We receive your proof of loss and reach written agreement with you; or
  - b. Written executed mediation settlement with you according to the terms of the written mediation settlement;
2. 60 days after we receive your proof of loss and:
  - a. 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
  - b. There is a filing of an appraisal award or, in the case of an appeal from such award, within 60 days from and after the affirmance of the same by the appellate court; or
3. Within 60 days after we receive notice from you of an initial, reopened, or supplemental property insurance claim, we shall pay or deny such claim or a portion of the claim unless the failure to do so is caused by factors beyond the control of the insurer, as set forth in Florida Statutes 627.70131. However, failure to pay or deny within 60 days does not form the sole basis for a private cause of action.

Any payment made by us shall not constitute a waiver of our rights within the policy.

### **Our Options**

We have the option to repair or replace any part of the damaged property with material or property of like kind and quality. We may also take all or part of the damaged property at the agreed or appraised value.

### **Insurable Interest**

In the event of a covered loss, we will not be liable to an “insured” for more than the amount of such “insured’s” interest in the covered property at the time of loss.

### **Loss to a Pair or Set**

In the event of a covered loss to a pair or set, we may elect to:

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

### **Mediation or Appraisal**

If you and we:

1. Are engaged in a dispute regarding a claim under this policy, either party may request 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. If the dispute is mediated, 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:

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

If there is an appraisal award, we will still retain our right to apply any applicable policy terms, limits, deductibles, and conditions. Suit cannot be filed against us during the appraisal process. If suit was filed against us prior to the request of appraisal, suit will be held in abatement until the execution of an appraisal award.

### **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.

### **Legal Action Against Us**

No legal 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 legal action is filed within five years after the date of loss.

In addition, the "insured" must provide the Department of Financial Services with written notice of intent to initiate litigation at least 10 business days prior to filing any legal action against us in accordance with Section 627.70152 of the Florida Statutes,

### **Abandonment of Property**

We have no liability for and no duty to accept any property abandoned by an "insured".

### **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. This provision applies regardless of any other provision of this policy.

### **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. You may choose to take possession of the recovered property or it will become our property. If you choose to take possession of the recovered property, the loss payment will be adjusted based on the amount you received for the recovered property.

### **Policy Period**

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

### **Concealment or Fraud**

We provide coverage to no "insureds" under this policy 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 material false statements;
- relating to this insurance.

If a policy or contract has been in effect for more than 90 days, a claim filed by the insured cannot be denied based on credit information available in public records.

### **What Law Governs**

This policy and any performance shall be construed with and governed by the laws of the State of Florida.

## **Assignment of Claim Benefits**

You may not assign, in whole or in part, any post-loss insurance benefit under this policy. Any attempt to assign post-loss property insurance benefits under this policy is void, invalid, and unenforceable. This restriction shall not apply to:

1. An assignment, transfer, or conveyance granted to a subsequent purchaser of the property with an insurable interest in the property following a loss;
2. A power of attorney under Florida Chapter 709 that grants to a management company, family member, guardian, or similarly situated person of an insured the authority to act on behalf of an insured as it relates to a property insurance claim; or
3. Liability coverage under a property insurance policy.

In any case where an assignment of insurance benefits is permissible under this policy, the assignment agreement must contain a provision requiring the assignee to provide a copy of the executed assignment agreement to us within 3 business days after the date on which the assignment agreement is executed or the date on which work begins, whichever is earlier. Delivery of the copy of the assignment agreement to us may be made:

1. By personal service, overnight delivery, or electronic transmission, with evidence of delivery in the form of a receipt or other paper or electronic acknowledgement by us; or
2. To the location designated for receipt of such agreements as specified in the policy as designated by us.

You also agree to provide us with written notice within 10 business days of a cancellation of an assignment of insurance benefits under this section.

An assignee of an assignment of insurance benefits under this policy must provide us with a written notice of intent to initiate litigation before filing suit under this policy. Such notice must be served at least 10 business days before filing suit, but not before we have made a determination of coverage. The notice must be served to us by certified mail, return receipt requested, or by electronic delivery to the e-mail address designated by us. The notice must specify the damages in dispute, the amount claimed, and a pre-suit settlement demand. Concurrent with the notice, and as a precondition to filing suit, the assignee must:

1. Provide us with a detailed written invoice or estimate of services, including itemized information on equipment, materials, and supplies; the number of labor hours; and, in the case of work performed, proof that the work has been performed in accordance with accepted industry standards;
2. Submit to examinations under oath and recorded statements conducted by us that are reasonably necessary, based on the scope of the work and the complexity of the claim, which examinations and recorded statements must be limited to matters related to the services provided, the cost of the services, and the assignment agreement; and
3. If required by us participate in appraisal or other alternative dispute resolution methods in accordance with the terms of this policy.

Attorney fees and costs may be recovered by an assignee only in accordance with Chapter 57 Section 105 of the Florida Statutes.

## **SECTION II – LIABILITY COVERAGES**

### **COVERAGE E – PERSONAL LIABILITY**

If a claim or lawsuit 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; and
2. Provide a legal defense at our expense by counsel of our choice.

We may, at our discretion, investigate or settle any claim or lawsuit against an "insured". Our duty to pay or defend ends when the amount we pay for damages resulting from an "occurrence" equals our limit of liability.

## **SECTION II – EXCLUSIONS**

Coverage E does not apply to any of the following:

**Loss Assessment.** Liability for any loss assessment charged against you as a member of an association or community of property owners.

**Contractual Liability.** Liability assumed by an "insured" under any contract or agreement.

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 elsewhere in this policy.

**Property Owned.** "Property damage" to property owned by an "insured" or any other resident of the "insured location".

**Property Rented, Occupied, Used or In Care Of.** "Property damage" to property rented to, occupied by, used by or in the care of an "insured". This exclusion does not apply to "property damage" resulting from fire, smoke or explosion.

**Liability Insured by a Nuclear Energy Liability Policy.** "Bodily injury" or "property damage" for which an "insured" under this policy is also an insured under a nuclear energy liability policy or would be an insured under such a policy but for the exhaustion of its limit of liability. A nuclear energy liability policy is a policy issued by the Nuclear Energy Liability Insurance Association, the Mutual Atomic Energy Liability Underwriters, the Nuclear Insurance Association of Canada, or any of their successors.

**Bodily Injury to Any Insured.** "Bodily injury" to any "insured" as defined in the Definitions. This exclusion also applies to any claim or lawsuit brought against any "insured" to repay or share damages with another person who may be obligated to pay damages because of "bodily injury" to an "insured".

**Injury to a Person Whom You Must or Do Provide Benefits.** "Bodily injury" to any person for whom an "insured" is required to provide or voluntarily provides benefits under any workers' compensation law, non-occupational disability law, or occupational disease law.

**Punitive Damages.** This policy does not provide any coverage for punitive or exemplary damages, fines or penalties in any amount regardless of how they are imposed. This exclusion includes, but is not limited to, those imposed by civil fine or penalty assessed or imposed under any code, statute, regulation or court order. This policy also does not provide any coverage for the cost of defense, including but not limited to attorney fees or costs, related to any such damages, fines or penalties.

However, if a claim is otherwise covered by this policy, we will defend an "insured" if suit is filed on the claim for compensatory and punitive or exemplary damages. We will not indemnify for punitive or exemplary damages.

**"Motor Vehicle", "Aircraft", and "Watercraft" Liability.** We do not cover liability for "bodily injury" or "property damage" arising out of the:

1. Ownership, maintenance, occupancy, operation, use, loading or unloading of a "motor vehicle", "aircraft", or "watercraft";
2. Entrustment of a "motor vehicle", "aircraft", or "watercraft" by an "insured" to any person;
3. Failure to supervise or negligent supervision of any person involving a "motor vehicle", "aircraft", or "watercraft" by an "insured"; or
4. Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving a "motor vehicle", "aircraft", or "watercraft".

This exclusion does not apply to "watercraft" liability if, at the time of the "occurrence", the watercraft:

1. Is being stored;
2. Is a sailing vessel, with or without auxiliary power, that is less than 26 feet in overall length;
3. Is not a sailing vessel and is powered by an inboard or inboard-outdrive engine or motor power of no more than 50 horsepower; or
4. Is powered by one or more outboard motors with cumulative power of no more than 25 horsepower.

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

**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" is of a different kind, quality or degree than initially expected or intended or is sustained by a different person, entity, real or personal property, than initially expected or intended.

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

**"Business".** "Bodily injury" or "property damage" arising out of or in connection with a "business" engaged in by an "insured" or conducted from an "insured location".

However, this exclusion does not apply:

1. The rental or holding for rental of part of the "insured location";
  - a. On an occasional basis for sole use as a residence;

- b. To no more than two roomers or boarders; or
2. An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees.

**Professional Services.** "Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services.

**Loss on an "Insured's" Premises That is Not an "Insured Location".** "Bodily injury" or "property damage" arising out of a premises:

1. Owned by an "insured";
2. Rented to an "insured"; or
3. Rented to others by an "insured";

that is not an "insured location".

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

1. Declared war, undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, discharge of a nuclear weapon even if accidental; or
2. Destruction, seizure or use for a military purpose.

**Communicable Disease.** "Bodily injury" or "property damage" which arises out of the transmission of a communicable disease or illness by an "insured".

**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.

**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 lawful use of prescription drugs by a person following the orders of a licensed health care provider.

**Trampolines.** "Bodily injury" or "property damage" arising out of the ownership or use of a trampoline owned by, rented by or loaned to any insured, whether on the "residence premises" or elsewhere.

**Diving Boards Or Slides.** "Bodily injury" or "property damage" arising out of the ownership or use of a diving board or slide owned by or rented by any insured or resident whether on the "residence premises" or elsewhere.

**Exotic, Farm, Saddle or Vicious Animals.** "Bodily injury" or "property damage" caused, whether in whole or in part, by:

1. Any prohibited breed of dog;
2. Any exotic, farm or saddle animals including but not limited to hoofed animals, livestock, reptiles, primates, and fowl; or
3. Any animal for which the owner has been notified by a state department that the animal has been deemed dangerous, vicious, or potentially dangerous under state law;

that is owned or kept, including temporary supervision, by you or any insured, resident, tenant of your household, or guest of any preceding persons whether or not the injury or damage occurs on the "residence premises" or elsewhere.

Prohibited breeds of dogs are Akitas, American Bulldogs, Beaucerons, Belgian Malinois, Caucasian Mountain Dogs, Chow Chows, Doberman Pinschers, German Shepherds, Great Danes, Keeshonds, Mastiffs, Pit Bulls, Rhodesian Ridgebacks, Rottweilers, Strafford Terriers, Wolf Hybrids or any mix or variation of those breeds.

**"Fungi", Wet or Dry Rot, or Bacteria.** "Bodily injury" or "property damage" arising directly or indirectly, in whole or part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi", wet or dry rot, or bacteria.

**Illegal or Criminal Acts.** "Bodily injury" or "property damage" resulting from any illegal or criminal act performed by, at the direction of, or in conspiracy with any "insured". This exclusion applies regardless of whether the "insured" is charged with a crime.

The application of this exclusion will not be based solely on an arrest or issuance of a citation.

Exclusions "Motor Vehicle", "Aircraft", and "Watercraft" Liability and "Loss On An "Insured's" Premises That Is 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".

## SECTION II – ADDITIONAL COVERAGES

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

### **Claim Expenses**

We pay:

1. Expenses we incur and costs taxed against an "insured" in any lawsuit we defend;
2. Premiums on bonds required in a lawsuit we defend, but not for bond amounts more than the Coverage E limit of liability. We have no obligation to 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 lawsuit; 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.

### **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".

### **Damage to Property of Others**

We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured".

We will not pay for "property damage":

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

This exclusion does not apply to a "motor vehicle" that:

- (1) Is designed for recreational use off public roads;
- (2) Is not owned by an "insured"; and
- (3) 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.

## SECTION II – CONDITIONS

### **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".

## **What Must Be Done After a Loss**

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. Refuse to assume any obligation that is prejudicial to us or incur any unreasonable and unnecessary expenses at the time of the loss;
6. Provide any written proof of loss that we require that is relevant to the claim;
7. Submit to statements or examinations under oath and subscribe to the same as we may reasonably require. We may require that such statements or examinations be recorded and videotaped, as well as conducted individually and outside the presence of witnesses or other persons seeking coverage or benefits under this policy. A personal representative of the person claiming coverage may be present so long as that representative is not one who is seeking coverage or benefits.
8. Provide us with written authorization to obtain available:
  - a. Cell phone records that are relevant to any matter concerning a loss, claim, or lawsuit;
  - b. Sales agreements;
  - c. Rental and financial documents; and
  - d. Other relevant records we request.
9. With respect to 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;
10. 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".

## **Lawsuit Against Us**

No action can be brought against us unless there has been full compliance with all of the terms under this Section II.

No one will have the right to join us as a party to any action against an "insured".

Also, no action with respect to Coverage E can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

## **Bankruptcy of An "Insured"**

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

## **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.

## **Severability of Insurance**

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

## **Policy Period**

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

## **Concealment or Fraud**

We do not provide coverage to any "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.

If a policy or contract has been in effect for more than 90 days, a claim filed by the insured cannot be denied based on credit information available in public records.

## **SECTION I AND II – CONDITIONS**

### **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.

### **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.

### **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.

### **Cancellation**

The provisions for cancellation are as follows:

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 not cancel this policy:
  - a. For a period of 90 days after the "residence premises" has been repaired, if such property has been damaged as a result of a hurricane or wind loss that is the subject of a declaration of emergency pursuant to Section 252.36, Florida Statutes, and the filing of an order by the Commissioner of Insurance Regulation; or
  - b. Until the earlier of when the "residence premises" has been repaired or 1 year after we issue the final claim payment, if such property was damaged by any covered peril and sub-paragraph a. does not apply.

However, we may cancel this policy prior to the repair of the "residence premises":

- a. Upon 10 days' notice for nonpayment of premium; or
- b. Upon 45 days' notice:

- (I) For a material misstatement or fraud related to the claim;
- (II) If the insurer determines that the insured has unreasonably caused a delay in the repair of the "residence premises"; or
- (III) If we have paid policy limits.

This cancellation notice may be delivered to you or mailed to you at your mailing address shown in the Policy Declarations. Proof of mailing will be sufficient proof of notice.

We shall be entitled to collect any additional premium required to keep the policy in effect during this period. However, this provision 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 2. do not apply, we may cancel only for the following reasons:
- a. When this policy has been in effect for 60 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 Policy 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 60 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 3.a. and 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 60 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 60 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 60 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 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 (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 canceled, 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.

### **Nonrenewal**

The provisions for nonrenewal are as follows:

1. We may not nonrenew this policy:
  - a. For a period of 90 days after the "residence premises" has been repaired, if such property has been damaged as a result of a hurricane or wind loss that is the subject of a declaration of emergency pursuant to Section 252.36, Florida Statutes, and the filing of an order by the Commissioner of Insurance Regulation; or
  - b. Until the earlier of when the "residence premises" has been repaired or 1 year after we issue the final claim payment, if such property was damaged by any covered peril and sub-paragraph a. does not apply.

However, we may nonrenew this policy prior to the repair of the "residence premises":

- a. Upon 10 days' notice for nonpayment of premium; or
- b. Upon 45 days' notice:
  - (I) For a material misstatement or fraud related to the claim;
  - (II) If the insurer determines that the insured has unreasonably caused a delay in the repair of the "residence premises"; or
  - (III) If we have paid policy limits.

This nonrenewal notice may be delivered to you or mailed to you at your mailing address shown in the Policy Declarations. Proof of mailing will be sufficient proof of notice.

We shall be entitled to collect any additional premium required to keep the policy in effect during this period. However, this provision 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.

2. If the conditions described in Provision (1.) do not apply, we may elect to nonrenew this policy by providing written notice at least 120 days before the expiration date of this policy.
3. 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.
4. 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 (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 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.

### **Assignment**

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

### **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.

### **Our Right to Recover Payment**

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:

1. Do whatever is necessary to enable us to exercise our rights; and
2. Do nothing after loss to prejudice them.

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.

### **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.

### **Notification Regarding Access**

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

## **DEFINITIONS**

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

In addition, certain words and phrases appear in quotations and are defined as follows:

**"Actual cash value"** means the reasonable replacement cost at the time of the loss less deduction for depreciation.

**"Aircraft"** means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo.

**"Bodily injury"** means physical harm to the body, including sickness or disease, including required care, loss of service and resulting death except that "bodily injury" does not include communicable diseases.

**"Business"** means:

1. A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
2. Any other activity engaged in for money or other compensation, except the following:
  - a. One of more activities, not described in **b.** through **d.** below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
  - b. Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
  - c. Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
  - d. The rendering of home day care services to a relative of an "insured".

**"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".

**"Fungi"** means any type or form of fungus, including mold or mildew, and any microtoxins, spores, scents or by-products produced or released by fungi.

**"Hurricane occurrence"** means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service. The duration of the hurricane includes the time period, in Florida:

1. Beginning at the time a hurricane warning is issued for any part of Florida by the National Hurricane Center of the National Weather Service; and
2. Ending 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.

**"Insured"** means:

1. You and residents of your household who are:
  - a. Your "relatives"; or
  - b. Other persons under the age of 21 and in the care of any person named above; or
  - c. Any person over the age of 18 residing at the "insured location", but only if that person is listed on the lease or rental agreement that applies to the "insured location".
2. 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:
  - a. 24 and your relative; or
  - b. 21 and in your care or the care of a person described in **1.a.** above; or
3. Under Section II:
  - a. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft, which are owned by you or any person included in **1.** or **2.** above. "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
  - b. With respect to a "motor vehicle" to which this policy applies:
    - (1) Persons while engaged in your employ or that of any person included in **1.** or **2.** above; or
    - (2) 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".

**"Insured location"** means the "residence premises";

**"Motor vehicle"** means:

1. A self-propelled land or amphibious vehicle; or
2. Any trailer, semitrailer, or camper, which is being carried on, towed by or hitched for towing by a vehicle described in **1.** above.

"Motor vehicle" does not include a vehicle that is:

1. In dead storage on an "insured location" at the time of an "occurrence";

2. Not subject to motor vehicle registration and is used solely to service the "residence premises";
3. Designed for recreational use off public roads and:
  - a. Not owned by an "insured"; or
  - b. Owned by an "insured" provided the "occurrence" takes place on an "insured location" as defined in Definitions, "insured location", items a., b., d., e., or h.
4. A motorized wheelchair:
  - a. Being used to assist a handicapped person at the time of an "occurrence"; or
  - b. Parked on an "insured location" at the time of an "occurrence"; or
5. A motorized golf cart that is owned by an "insured", designed to carry no more than 4 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 a golfing facility and is parked or stored there, or being used by an "insured" to:
  - a. Play the game of golf;
  - 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.

**"Occurrence"** means an accident, including exposure to harmful conditions, which results during the policy period, in:

1. "Bodily injury"; or
2. "Property damage".

Repeated or continuous exposure to the same general harmful conditions is considered to be one "occurrence".

"Occurrence" does not include accidents or events, which take place during the policy period which do not result in "bodily injury" or "property damage" until after the policy period.

**"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"** means an assemblage of "primary structural members".

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

**"Property damage"** means physical injury to or destruction of tangible property, including loss of its use as a result of its physical injury or destruction.

**"Relative"** and **"Relatives"** mean:

1. A person who resides at the "insured location" and is related to you by blood, marriage or adoption;
2. Your ward or foster child who primarily resides with you.

**"Residence employee"** means an employee of an "insured" who performs duties related to the maintenance or use of the "residence premises", including household or domestic services. This also includes an employee of an "insured" who performs similar duties elsewhere not related to the "business" of an "insured".

**"Residence premises"** means:

1. The one family dwelling, other structures, and grounds; or
2. That part of any other building;

where you reside and which is shown as the "residence premises" on the Declarations.

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

"Residence premises" does not include a mobile home, manufactured home, or tiny house. The terms mobile home and manufactured home are both defined as a structure, transportable in one or more sections, which is built on an integral or permanent chassis, and is designed for use with or without a permanent foundation when attached to the required utilities. A tiny house is a single-family home, 400 square feet or less, excluding lofts, and includes permanent provisions for sleeping, cooking, living, and sanitation.

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

1. 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;
2. 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;
3. 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;
4. 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 shear plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
5. Damage occurring on or after October 15, 2005, that qualifies as "substantial structural damage" as defined in the Florida Building Code.

**"Storage Facility"** means a licensed commercial property designed and used for the purpose of renting or leasing individual storage spaces to individuals.

**“Uninhabitable”** means generally recognized standards for residential occupancy are violated or, in the absence of such standards, a fully informed and reasonable person would conclude that the “residence premises” was unsafe for habitation as a residential dwelling.

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

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

**“Watercraft”** means a craft principally designed to be propelled on or in water by wind, engine power or electric motor.