

READ YOUR POLICY CAREFULLY

For service information or questions concerning this policy, contact your agent or
call (850) 445-7400

MANUFACTURED HOMEOWNERS POLICY

AMERICAN INTEGRITY INSURANCE COMPANY OF FLORIDA

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INSURING AGREEMENT

Relying on the facts **you** have given **us**, **American Integrity Insurance Company of Florida** agrees to provide the insurance described in this policy. In return, **you** agree to pay the premium and comply with the policy terms.

This policy applies only to covered **occurrences** which take place during the policy period. The Declarations Page shown the policy period, coverages, limits of liability and premiums. This policy is not complete without the Declarations Page.

DEFINITIONS

1. **"You"** and **"your"** mean the insured named on the Declarations Page and the spouse, if a **resident** of the same household.
 2. **"We"**, **"us"** and **"our"** mean the company providing this insurance.
 3. **"Bodily injury"** means bodily harm, sickness or disease, and includes necessary care, loss of services and resulting death caused by an **occurrence**.
 4. **"Business"** means any trade, profession, occupation or service of an **insured person**. For this definition, **business** includes any part-time, temporary, or permanent activity engaged in for compensation.
 5. **"Insured person"**
 - a. **"Insured person"** when used in **SECTION I** of the policy, means
 - (1) **you**; and
 - (2) **your relatives** who are **residents** of the **insured premises** listed on the Declarations Page.
 - b. **"Insured person"**, when used in **SECTION II** of the policy, means
 - (1) **you**;
 - (2) **your relatives** who are **residents** of the **insured premises** listed on the Declarations Page.
 - (3) a person or organization legally responsible for animals or for watercraft to which this policy applies, if owned by a person in a. or b. above. We will cover that person or organization only with respect to those animals or watercraft. We will not cover a person or organization using or having custody of animals or watercraft in the course of any business or without permission of the owners.
 - (4) with respect to a motor vehicle covered by this policy, a residence employee of a person
- included in a. or b., while engaged in the employment of that person.
- (5) with respect to a motor vehicle covered by this policy, any other person using the vehicle with your permission on an insured premises.
 6. **"Lienholder"** means the person or **business** that loaned you money on your home and named on the Declarations Page, including any successor in interest or assignee.
 7. **"Loss"** means direct, sudden and accidental damage.
 8. **"Insured premises"** or **"residence premises"** means, in **SECTION I**, the home shown on the Declarations Page and adjacent structures which are within one hundred feet of the home. In **SECTION II – LIABILITY COVERAGES**, **"insured premises"** or **"residence premises"** means:
 - a. the dwelling and other structures shown on the Declarations Page while used as **your** residence.
 - b. the part of any other premises, structures, and land, used by **you** as a residence and which is shown on the Declarations Page.
 - c. any other premises acquired by **you** during the policy period which **you** intend to use as a residence premises.
 - d. any part of premises which are not owned by an **insured person** but where the **insured person** may be temporarily residing or which an **insured person** may occasionally rent for non-**business** purposes.
 - e. vacant land, other than farmland, owned by or rented to an **insured person**.
 - f. cemetery plots or burial vaults owned by an **insured person**.
 - g. land on which a single or two family residence is being built for an **insured person**, if the land is owned by or rented to the **insured person**.
 - h. Any other structures or grounds used by **you** in connection with **your** residence premises.
 9. **"Motor vehicle"** means:
 - a. Any motorized land conveyance of any type, regardless of whether or not it is licensed for road use or whether the motorized land conveyance is made for use on or off public roads. The term **"motor vehicle"** shall include, but is not limited to, automobiles, motorcycles, mopeds, all-terrain vehicles, tractors, riding lawnmowers, snowmobiles and go-carts.

It does not mean a golf cart while used on a golf course for golfing purposes, lawn or garden equipment while used on the **insured premises**,

vehicles specifically designed to assist the handicapped, such as wheelchairs, or vehicles designed to service the residence premises.

- b. A trailer or semi-trailer made for use on or off public roads.
 - c. Any vehicle while being towed or carried by one of the above **motor vehicles**.
10. "**Property damage**" means physical damage to or destruction of tangible property, including loss of use as a result of physical damage to or destruction of tangible property.
 11. "**Residence employee**" means an employee of an **insured person** whose duties are in connection with the maintenance or use of the residence premises, whether or not such duties are performed exclusively upon the residence premises. A **residence employee** does not include any employee who performs duties in connection with the **business** of an **insured person** or farming activities of an **insured person**.
 12. "**Smoke damage**" means sudden, accidental smoke damage caused by other than farm smudging or industrial smoke. It does not mean gradual buildup of any oily or greasy substance or film.
 13. "**Vehicle damage**" means **loss** to the property insured caused by any vehicle not owned or used by an **insured person** while the home is not on a public right of way or in transit.
 14. "**Occurrence**" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in **bodily injury** or **property damage**. Repeated or continuous exposure to the same general conditions is considered to be the same **occurrence**.
 15. "**Resident**" means a person living permanently in **your** home.
 16. "**Relative**" means a person living in **your insured premises** related to **you** by blood, marriage or adoption, including a ward or foster child.
 17. "**Flood**" means a general temporary condition of partial or complete covering of normally dry land areas as a result of:
 - a. the overflow of inland tidal waters, or
 - b. the unusual and rapid buildup or runoff of surface water from any source, or
 - c. mud slides or mud flows which are caused by the buildup or water on or below the surface of the ground, or
 - d. **flood** can also mean the collapse or sinking of land along the shore of a body of water as a

result of erosion or undermining caused by waves or currents of water exceeding the normal levels, which results in a **flood** as defined above.

18. "**Earth movement**" means:
 - a. earthquake;
 - b. land shock waves or tremors occurring before, during or after a volcanic eruption;
 - c. landslides;
 - d. mudflow; or
 - e. earth sinking, rising or shifting.
19. "**Aircraft**" means any contrivance used or designed for flight, except model or hobby **aircraft** not used or designed to carry people or cargo.
20. "**Actual Cash Value**" means the amount which it would cost to repair or replace covered property with material of like kind and quality, less allowance for physical deterioration and depreciation, including obsolescence.

SECTION I – PROPERTY COVERAGE

For coverages **you** have selected, **we** cover the following types of property if shown on the Declarations Page:

1. Coverage A - Dwelling

The manufactured home shown on the Declarations Page, including the equipment, fixtures and furnishings which were a part of the home when built or purchased. This includes above ground foundation supports, tie-downs, air conditioners, water pumps, skirting, steps, and oil and gas drums furnishing heating or cooking fuel for the home. This does not include structures attached to the dwelling that were added after leaving the manufacturer, such as a screened room, Florida room, carport, patio cover, porch or decking, unless a premium has been paid and the coverage for attached structures is shown on the Declarations Page. This coverage does not apply to land, including land on which the home is located.

2. Coverage B – Other Structures

Unattached structures on the **residence premises** only when a premium has been paid and the coverage for the unattached structures is shown on the Declarations Page. This includes structures connected to the home 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:

- a. used in whole or in part for **business**; or
- b. rented or held for rental to any person not a tenant of the home. Other structures do not include barns, farm structures or livestock structures.

3. **Coverage C – Personal Property**

Personal Property owned or used by an **insured person** while on the **insured premises**. **You** may apply up to 10% of the personal property coverage limit for **your** personal property located elsewhere, unless the property is in storage. This does not increase the coverage limit shown on the Declarations Page, Personal property is not covered while being mailed or in the care, custody or control of a public or private carrier. This limitation does not apply if, after a covered loss, the property is moved to prevent the possibility of further damage.

PROPERTY NOT COVERED

We do not cover the following types of property:

1. Money (except coin collections), bank notes, deeds, securities, accounts, evidence of debt, letters of credit, passports, bullion, metals and precious metals, including, but not limited to, platinum, gold and silver.
2. **Aircraft**, trailers, motorcycles, farm machinery, campers, **motor vehicles** (other than lawn or garden equipment while used on the **insured premises** and motorized wheelchairs), watercraft, including but not limited to, personal watercraft, airboats or any equipment of any of the above.
3. Items carried or held as samples or for sale or delivery after sale.
4. Animals, fish or birds.
5. Property intended for or used for **business** purposes in any way or at any time.
6. Articles and property separately described and specifically insured in this or any other insurance.
7. Property owned by roomers, boarders and tenants, whether or not they related to an **insured person**.
8. Antennas, including satellite dishes and all equipment related to the satellite system, except as provided for in the **SUPPLEMENTAL COVERAGES** section of this policy.

SPECIAL LIMITS ON CERTAIN PERSONAL PROPERTY

We will not pay more than a total of \$2,000 for **loss** to the following types of personal property, regardless of the number of items involved in the **loss**. Of this \$2,000, no more than the figure noted next to the group will be paid for **loss** to one or more items in that group. These limits do not increase the limit of liability for personal property coverage.

1. \$500 - Jewelry, watches, precious and semi-precious stones or furs. Furs include any piece of clothing having fur which is its main value.

2. \$500 - Silverware, goldware, pewter and precious metals.
3. \$500 - Art, ceramics, china, antiques and heirlooms.
4. \$500 - Guns, ammunition, golf equipment, video game cartridges and disks, equipment and accessories for any of the above items.
5. \$500 - Audio or video recording devices, camcorders, cameras, records, tapes, compact discs, laser discs, and accessories of any of the above items.
6. \$500 - Musical instruments, their equipment and accessories.
7. \$500 - Books, manuscripts, tickets, photographs, stamp, coin, card and comic book collections.
8. \$1,000 - Tools, building materials ;and supplies.
9. \$1,000 - Computers, computer software, disks, equipment and accessories for these items. If and **insured person** owns any of these special items with values higher than **we** provide coverage for, ask your agent how to obtain additional coverage for these items.
10. \$500 – Rugs, tapestries, carpets (except wall-to-wall), wall hangings or similar articles.
11. \$500 – Bric-a-brac, memorabilia, souvenirs and collector’s items.

COVERAGE PROVIDED

We provide coverage as shown on the Declarations Page. Subject to certain limitations and exclusions, **we** will pay for loss to an **insured person’s** property except any **loss** which occurs during transit or preparation for transit of the home. This coverage does not include coverage for **loss** due to **flood** or **earth movement**.

SUPPLEMENTAL COVERAGES

The following coverages are provided without extra premium and with no deductible when **we** insure **your** home:

1. **Additional Living Expenses** - - If **you** are not able to live in **your** home due to a covered **loss**, **we** will pay up to a maximum of 10% of the amount of coverage for **your** home for **your** expenses incurred above and beyond **your** normal daily expenses, so that **your** household can maintain its normal standard of living, as a result of **your** covered **loss**.

Payment under this coverage 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. **Fire Department Service Coverage** - - **We** will pay up to \$250 for charges, if any, each time the fire department is called to protect **your insured premises** from a covered peril.

3. **Emergency Removal Coverage** - - When it is expected that **your** home may be damaged by a covered peril, **we** will reimburse you up to \$750 of the cost of removal and return expenses to protect the home.
4. **Trees, Shrubs, Plants and Lawns** - - **You** may use up to \$200 of **your** dwelling limits to cover trees, shrubs, plants and lawn on the **insured premises** other than those grown for **business** reasons. These items are covered only against **loss** by fire, lightning, explosion, riot or civil commotion, vandalism, malicious mischief, falling objects and **aircraft**. **We** will not pay more than \$100 for any one lawn or one tree. **We** will not pay more than \$25 for any one plant or shrub.
5. **Debris Removal** - **We** will pay your reasonable expenses for the removal of:
 - a. Debris of covered property if a peril insured against that applies to the damage property causes the **loss**; or
 - b. Ash, dust or particles from volcanic eruption that has caused direct **loss** to a building or property contained in a building.

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

We also pay your reasonable expense, up to \$500, for the removal from **your insured premises** of:

- a. **Your** tree(s) felled by the peril of windstorm or hail;
- b. **Your** tree(s) felled by the peril of weight of ice, snow or sleet; or
- c. A neighbor's tree(s) felled by the peril insured against under **Coverage C**;

provided the tree(s) damages a covered structure. The \$500 limit is the most **we** will pay in any one loss regardless of the number of fallen trees.

6. **Credit Card, Fund Transfer Card, Forgery and Counterfeit Money** -
 - a. **We** will pay up to \$500 for:
 - (1) the legal obligation of an **insured person** to pay because of the theft or unauthorized use of credit cards issued to or registered in an **insured person's** name;
 - (2) **loss** resulting from theft or unauthorized use of a fund transfer card used for deposit, withdrawal or transfer of funds, issued to or registered in an **insured person's** name;

- (3) **loss** to an **insured person** caused by forgery or alteration of any check or negotiable instrument; and
 - (4) **loss** to an **insured person** through acceptance in good faith of counterfeit United States or Canadian paper currency.
- b. **We** do not cover use of a credit card or fund transfer card;
- (1) by a **resident** of the **insured premises** or a person temporarily living in the home;
 - (2) by a person who has been entrusted with either type or card; or
 - (3) if an **insured person** has not complied with all terms and conditions under which the cards are issued.

We will not pay more than \$500 for any one **loss** involving one or more of these coverages. Repeated **losses** caused by one person or in which one person is involved are to be considered one **loss**.

We do not cover **loss** arising out of **business** use or dishonesty of any **insured person**.

If a claim is made or suit is brought against an **insured person** for liability to which this coverage applies, **we** will defend the **insured person**. The defense will be provided at **our** expense by lawyers of **our** choice.

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 or when the amount **we** offer to pay by tendering the money to **you** equals **our** limit of liability.

We may, at **our** option, and at **our** expense, defend an **insured person** or that person's bank against a suit to enforce payment under the credit card or fund transfer card coverage.

7. **Antennas and Satellite Dishes** - - **We** will pay up to \$100 for a covered **loss** to **your** antenna(s) or satellite dish(es) and all equipment related to the satellite system.

EXCLUSIONS

Under Dwelling, Other Structures and Personal Property coverages, **we** do not cover **loss** caused directly or indirectly by any of the following, whether or not any other cause or happening contributes concurrently to;

1. **Loss** resulting from defective or improper manufacture, latent defect, installation, movement, set-up or transport.
2. **Loss** due and confined to wear and tear, lack of maintenance, neglect or abusive use, mold, rotting, rust, corrosion, insects and vermin, rodents, reptiles, birds or domestic animals.

3. **Loss** resulting from vandalism, conversion or concealment by anyone who has legal possession of the property.
4. **Loss** resulting from water damage. Water damage means;
 - a. water which backs up through sewers, drains, overflows from a sump or from below the surface of the ground; or
 - b. water below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

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

5. **Loss** resulting from mysterious disappearance of the insured property or if it is lost or misplaced.
6. **Loss** resulting from failure, surge or interruption of power or other utility service which occurs away from the **insured premises**. But, if a covered **loss** ensues on the **insured premises**, **we** will pay only for that ensuing **loss**.
7. **Loss** resulting from an action or omission by or at the direction of any **insured person**, committed with the intent to cause a **loss** or damage. This exclusion applies even if the **insured person** is insane, intoxicated or otherwise impaired if a person without that impairment who committed such an act would otherwise be deemed to have acted with the intent to cause **loss** or damage.
8. **Loss** resulting from seepage or leakage of rain, sleet, ice or snow, whether or not wind-driven, unless caused by a covered peril.
9. **Loss** or any increase in the cost of any repair resulting from enforcement of an ordinance, regulation or law regulating the construction, repair, demolition, occupancy, sale or relocation of **your** home, adjacent structure or other structure, unless specifically provided for under this policy. **We** do cover **loss** caused by actions of civil authorities to prevent the spread of a fire, provided the **loss** is covered under this policy. This exclusion applies whether or not any increase in cost is necessitated as a result of damages caused by a covered peril.
10. **Loss** resulting from theft, vandalism, malicious mischief or breakage of glass if the home has been vacant or unoccupied for 30 days immediately preceding the **loss**.
11. **Loss** resulting from theft or vandalism of records, tapes, compact discs, equipment or antennas which send, receive or record sound or data or detect radar when in, on or attached to a **motor vehicle**.
12. **Loss** resulting from theft of building materials or supplies
13. **Loss** resulting from way, warlike acts, including insurrection, rebellion or revolution.
14. **Loss** to **your** insured property caused by any vehicle owned or used by any **insured person**.
15. **Loss** resulting from neglect of any **insured person** to take all reasonable steps to save and preserve property at the time of and after a **loss** or when the property is endangered by a peril **we** cover.
16. **Loss** resulting from settling, cracking, shrinking, bulging or expansion of pavements, patios, foundations, walls, floors, roofs or ceilings.
17. **Loss** resulting from nuclear action or activity of any type including **loss** caused by fire resulting from any such nuclear action or activity.
18. **Loss** resulting from theft of personal property committed by any **insured person**.
19. **Loss** resulting from theft of unattended personal property in or on any **motor vehicle**, trailer, camper or watercraft, unless there is a forcible entry while all doors, windows and their openings are closed and locked, and there are visible marks of forcible entry.
20. **Loss** resulting from theft of personal property from that part of the **insured premises** rented by an **insured person** to someone other than an **insured person**.
21. **Loss** resulting from theft of personal property that occurs off the **insured premises** of property while at any other residence owned by, rented to, or occupied by an **insured person** except while an **insured person** is temporarily living there. Property of a student who is an **insured person** is covered while at a residence away from home if the student has been there at any time during the 45 days immediately before the **loss**.
22. **Loss** caused by **flood** or **earth movement**.

CONDITIONS APPLYING TO SECTION I

1. Method of Settlement

The liability limit shown on the Declarations Page for each kind of property insured is **our** total liability for **loss** to that kind of property, less any deductible. **Our** payment for **loss** shall not exceed the lowest of:

- a. the actual cash value of the property just before the **loss**; or
- b. the difference between the actual cash value just before and just after the **loss**; or
- c. the amount necessary to repair or replace the property; or
- d. the liability limit shown on the Declarations Page or elsewhere in the policy.

2. Hail

The amount **we** will pay **you** for **loss** or damage from hail depends on the type of loss or damage it causes. Hail can cause structural damage, which is the actual penetration of the exterior surface or the cracking or breaking of support materials. When this type of **loss** or damage occurs, **we** will pay you the actual cash value of the cost of repairing or replacing the damaged portion of the property.

Hail often dents the exterior surface of a home and other structures. When there is no structural damage, the utility of these structures will not be affected. The amount **we** pay for this will be the difference between the actual cash value of **your** property immediately before the **loss** and its actual cash value immediately after the **loss**.

3. Company's Settlement Options

When **you** have a covered **loss**, **we** have the option to pay for the **loss** or to repair or replace the damaged or destroyed property with property of like kind and quality. Before **we** have paid for the **loss** or replaced the property, **we** may return to **you** any recovered stolen property, at **our** expense, along with payment for any covered damage. At **our** option, **we** may keep all or part of the property at the agreed or appraised value, but **you** shall not have the option of abandoning property to **us**.

In the event of a covered **loss** and the cost to repair **your** home is greater than the limit of liability shown on the Declarations Page, **you** are entitled to retain the title to **your** home.

4. Settlement for Pairs or Sets

At **our** sole option, the settlement for a **loss** to a pair, set, series of objects pieces or panels, inside or outside, shall be:

- a. to repair or replace any part needed to restore the pair or set to its actual cash value before the **loss**;
- b. to pay the difference between the actual cash value of the pair or set before and after the **loss**; or
- c. to pay the reasonable cost of providing a reasonable acceptable alternative decorative effect or utilization; as the circumstances may warrant. However, **we** do not guarantee the availability of replacements and shall not, in the event of **loss** to a part, be obligated for the value of, or to repair or replace, the entire series of pieces or panels.

5. Deductible

Some covered **losses** are subject to deductible amounts shown on the Declarations Page or elsewhere in this policy. When **your loss** is the

deductible amount or less, no payment is owed. When **your loss** is more than the deductible, **you** pay the deductible and **we** pay the rest of the loss up to the limit of liability for that type of property. The deductible may vary by coverage. Only one deductible will be applied to a covered loss from one **occurrence**. If the deductibles are not the same, the highest one will apply.

6. Change of Location

If **you** move the home shown on the Declarations Page, **you** must let **us** know within thirty days or no coverage will be provided under this policy.

7. Payment of Loss

We shall adjust all **losses** with **you**. We shall pay **you** unless another payee is named in the policy. **We** shall pay within sixty (60) days after the amount of **loss** is finally determined. This amount shall be determined by:

- a. agreement between **you** and **us**; or
- b. a court judgment; or
- c. an appraisal award.

8. Appraisals

If **we** cannot agree with **you** on the amount of a **loss**, then **you** and **we** have the right to each select a competent and unbiased appraiser at any time after receipt of **your** proof of **loss**. The appraisers will judge the amount of **loss**. If the appraisers do not agree on the amount of **loss**, they shall select a third party umpire, and each will submit an appraisal of loss to the umpire.

Agreement between any two of the appraisers and/or umpire will be binding upon **you** and **us**. **You** pay the costs of **your** appraiser and **we** pay the costs of **ours**. **You** and **we** shall share equally in the umpire's expenses and all other appraisal expenses. If the appraisers fail to agree on an umpire within fifteen days, an umpire shall be selected by a judge of a court of record in the county in which the appraisal is pending.

9. Other Insurance

If a **loss** covered by this policy is also covered by other insurance, **we** will pay **our** share. **Our** share will be 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**.

10. Insurable Interest and Our Liability

In the event of a **loss**, **we** will pay for the insurable interest that an **insured person** has in the property covered by this policy, or the limit of liability for the coverage afforded by this policy, whichever is less. For someone other than an **insured person** to have

an insurable interest eligible for coverage, they must be named in the policy.

11. Lienholder's Interest

If a **lienholder** is named on the Declarations Page, any **loss** will be paid to **you** and the **lienholder**. This designation of a **lienholder** will be considered an acknowledgment by **you** that the entity named has a legal interest in the home due to an installment sales contract or other valid security agreement. If a **lienholder** is not named on the Declarations Page, they shall not have any interest under this policy.

The **lienholder's** interest will not be impaired by **your** fraudulent or intentional acts or omissions provided the **lienholder**:

- a. notifies **us** of any change in occupancy, ownership or substantial change in the risk as soon as the **lienholder** becomes aware of such change; and
- b. pays any premium due under this policy if **you** have neglected to pay. **We** will protect the **lienholder's** interest in the insured home in the event of a substantial change in the risk, change in ownership or occupancy, or foreclosure if the **lienholder** has no knowledge of these conditions.

We will provide the **lienholder** at least 10 days notice if **we** cancel this policy. At the conclusion of this 10 day period, all interest of the **lienholder** in this policy shall terminate. The **lienholder** shall furnish **us** a proof of **loss** within 60 days after it is aware of the **loss** if any **insured person** fails to do so. If **we** pay the **lienholder** for any **loss** and deny payment to **you**, **we** are subrogated to all rights of the **lienholder** granted under the lien on the property and may require, at **our** sole option, an assignment of the note and lien to the extent of payment made. **Our** right of subrogation to the extent of **our** payment made, will not impair the right of a **lienholder** to recover the full amount of its claim. All policy terms and conditions apply to the **lienholder** as well as to **you**.

12. Automatic Reinstatement

A loss to **your** property reduces **our** liability limit by the amount of the **loss** under the appropriate coverage. Upon repair or replacement of the property, the limit will return to the limit shown on the Declarations Page.

13. No Benefit to Bailee

A bailee is a person or entity (other than **you**) to whom **you** have given possession of insured property. **We** will not honor an assignment nor extend coverage to a bailee.

14. Suit Against Us

You may not bring suit against **us** regarding this policy unless **you** have complied fully with all of its terms. Suit must be brought within one year after the **loss**; unless the period for bringing suit is extended to the minimum period permitted by applicable state law.

15. What You Must Do in Case of Loss

In case of a **loss**, **you** must see that the following are done:

- a. give prompt notice to us or **our** agent;
- b. notify the policy in case of **loss** by theft;
- c. notify the credit card or fund transfer card company in case of **loss** under Credit Card or Fund Transfer Card coverage;
- d. protect the property from further damage, If repairs to the property are required, **you** must:
 - (1) make reasonable and necessary repairs to protect the property. **We** will not pay for additional damage as a result of **your** failure to do so;
 - (2) keep an accurate record of repair expenses;
- e. prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of **loss** and any other information **we** request. Attach all bills, receipts and related documents that justify the figures in the inventory;
- f. as often as **we** reasonably require:
 - (1) allow **us** to inspect the damaged property;
 - (2) provide **us** with records and documents **we** request and permit **us** to make copies;
 - (3) submit to examination under oath, while not in the presence of any other **insured person**, and sign the same; and
 - (4) give **us** personal records which **we** request, including but not limited to tax records, bank statements, sales slips and receipts;
- g. send to **us**, within 60 days after **loss**, **your** signed, sworn proof of **loss** which sets forth, to the best of **your** knowledge and belief:
 - (1) the time and cause of **loss**;
 - (2) the interest of the **insured person** and all others in the property involved and all liens on the property;
 - (3) other insurance which may cover the **loss**;
 - (4) changes in title or occupancy of the property during the term of the policy;

- (5) specifications of damaged buildings and detailed repair estimates;
- (6) the inventory of damaged personal property described in 16.e. above;
- (7) receipts for additional living expenses incurred;
- (8) records that support **your loss**; and
- (9) evidence or affidavit that supports a claim under the Credit Card, Fund Transfer Card, Forgery and Counterfeit Money coverage, stating the amount and cause of **loss**.

We may pay the injured person or the party that renders the medical services. Payment under this coverage is not an admission of liability by **you, us** or an **insured person**.

ADDITIONAL COVERAGES

We will cover the following in addition to the liability limit:

1. **Damage to Property of Others - We** will pay up to \$250 per **occurrence** for **property damage** to property of others caused by any **insured person**. **We** will not pay for **property damage**:
 - a. To property covered under **SECTION I** of this policy;
 - b. **Caused** intentional by any insured **person** who is thirteen (13) years of age or older;
 - c. To property owned by or rented to any **insured person**, a tenant of any **insured person** or a **resident** in your household; or
 - d. Arising out of:
 - (1) **business** pursuits;
 - (2) any act or omission in connection with a premises owned, rented or controlled by any **insured person**, other than the **insured premises**; or
 - (3) the ownership, maintenance, or use of a **motor vehicle** or **aircraft**.
2. **Claim Expenses - We** pay;
 - a. Expenses incurred by **us** and costs taxed against any **insured person** in any suit **we** defend;
 - b. Premiums on bonds required in a suit defended by **us**, but not for bond amounts greater than the liability limit. **We** are no obligated to apply for or furnish any bond;
 - c. Reasonable expenses incurred by any **insured person** at **our** request, including actual **loss** of earnings (but not **loss** of other income) up to \$50 per day for assisting **us** in the investigation of defense of any claim or suit;
 - d. Interest on the entire judgment which accrues after entry of the judgment and before **we** pay or tender, or deposit in court that part of the judgment which does not exceed the liability limit that applies.
 - e. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of liability, we will not pay any prejudgment interest based on that period of time after the offer.
3. **First Aid Expenses - - We** will pay expenses for first aid to others incurred by any **insured persons** for

SECTION II –LIABILITY COVERAGE

Coverage E – Personal Liability Coverage

If a claim is made or a suit is brought against any **insured person** for damages because of **bodily injury** or **property damage** to which this coverage applies, **we** will:

1. Pay up to **our** liability limit for the damages for which the **insured person** is legally liable, except for punitive or exemplary damages; and
2. Provide a defense at **our** expense by counsel of **our** choice. **We** may make any investigation and settle any claim or suit that **we** decide is appropriate. **Our** duty to settle or defend ends when the amount **we** pay for damages resulting from the **occurrence** equals **our** limit of liability.

Coverage F – Medical Payments to Others Coverage

We will pay the necessary medical expenses incurred within three (3) years from the date of an accident causing **bodily injury**. Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, funeral services and prosthetic devices. This coverage does not apply to **you** or **residents** of **your** household other than **residence employees**. As to others, this coverage applies only:

1. To a person on the **insured premises** with the permission of any **insured person**; or
2. To a person off the **insured premises**, if the **bodily injury**:
 - a. Arises out of a condition on the **insured premises**;
 - b. Is caused by the activities of any **insured person**;
 - c. Is caused by a **residence employee** in the course of the **residence employee’s** employment by any **insured person**; or
 - d. Is caused by an animal owned by or in the care of any **insured person**.

bodily injury covered under this policy. **We** will not pay for first aid to **you** or any other **insured person**.

EXCLUSIONS

1. Under **Personal Liability Coverage** and **Medical Payments To Others Coverage**, **we** do not cover **bodily injury** or **property damage**:

- a. Resulting from intentional acts caused by or at the direction of any **insured person**, whether or not the resulting **bodily injury** or **property damage** was expected or intended. This exclusion applies even if the **insured person** is insane, intoxicated or otherwise impaired if a person without that impairment who committed such an act would otherwise be deemed to have acted with the intent to cause **bodily injury** or **property damage**.
- b. Arising out of or in connection with **business** or professional activities of any **insured person**;
- c. Arising out of or in connection with the rental or holding for rental of any part of any premises owned by any **insured person**. This exclusion does not apply to the rental or holding for rental of an **insured premises**:
 - (1) on an occasional basis for the exclusive use as a residence;
 - (2) in part, unless intended for use as a residence by more than two (2) roomers or boarders.
- d. Arising out of the rendering or failure to render professional services;
- e. Arising out of any premises owned by or rented to any **insured person** which is not an **insured premises**;
- f. Arising out of the ownership, maintenance, use, loading or unloading of:
 - (1) an **aircraft**;
 - (2) a **motor vehicle** owned or operated by, or rented or loaned to any **insured person** unless the vehicle is specifically designed to assist the handicapped such as a wheelchair, or service the **residence premises**;
 - (3) a watercraft:
 - (a) owned or operated by, or rented or loaned to any **insured person**, if the watercraft has inboard or inboard-outdrive motor power of more than 50 horsepower or is a sailing vessel, with or without auxiliary power, 26 feet or more in overall length; or
 - (b) powered by one of more outboard motors with more than 25 total horsepower,

owned or operated by, or rented or loaned to any **insured person** at the inception of this policy. If **you** report to **us** in writing within 45 days after acquisition, an intention to insure any outboard motors acquired during the policy period, and if **we** agree, coverage will apply; or

(c) if it is a personal watercraft or any jet-driven water conveyance, regardless of horsepower or displacement.

Exclusion f. (3) does not apply while the watercraft is stored and exclusions f. and g. do not apply to **bodily injury** to any **residence employee** arising out of and in the course of the **residence employee's** employment by any **insured person**.

- g. Arising out of:
 - (1) the negligent supervision by a covered person of any person; or
 - (2) vicarious liability, whether or not statutorily imposed, for the actions of a minor in connection with any **aircraft, motor vehicle** or watercraft as defined in exclusion g.
- h. Caused directly or indirectly by war, including the following and any consequence of any of the following:
 - (1) undeclared war, civil war, insurrection, rebellion, revolution;
 - (2) warlike act by a military force or military personnel; or
 - (3) destruction, seizure or use for a military purpose. Discharge of a nuclear weapon will be deemed a warlike act, even if accidental;
- i. Arising out of defective or improper manufacture, latent defect, installation, movement, setup or transport of the insured home;
- j. Arising out of communicable diseases or sickness as may have been transmitted by **you** or any **insured person** or as may have arisen from **your** or any **insured person's** activities;
- k. Arising out of any sexual act, including, but not limited to, assault, molestation, abuse, incest or rape;
- l. Arising out of corporal punishment or physical or mental abuse;
- m. Arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a controlled substance(s) as defined by the Federal Food and Drug Law at 21 USCA 811 and 812. However, this exclusion does not apply to the legitimate use of prescription drugs by a

person following the orders of a licensed physician.

- n. For any **loss**, cost or expense arising out of any governmental direction or request that any **insured person** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants; and
- o. Arising out of childcare services provided by or at the direction of any **insured**, any employee of any **insured**; or any person acting or appearing to act on behalf of any **insured**.

2. **Personal Liability Coverage** does not apply to;

- a. Liability assumed under any oral or written contract or agreement or by contract or agreement in connection with any **business** of any **insured person**;
- b. **Property damage** to property owned by any **insured person**;
- c. **Property damage** to property rented to, occupied or used by, or in the care, custody or control of any **insured person**. This exclusion does not apply to **property damage** caused by fire, smoke or explosion;
- d. **Bodily injury** to you or an **insured person** within the meaning of part b. of **insured person** as defined;
- e. **Bodily injury** to any person eligible to receive any benefits required to be provided or voluntarily provided by any **insured person** under any workers compensation, non-occupational disability, or occupational disease law; or
- f. **Bodily injury** or **property damage** for which any **insured person** under this policy is also an insured under a Nuclear Energy Liability Policy or would be an insured but for its termination upon exhaustion of its liability limit. A Nuclear Energy Liability is a policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors.
- g. **Bodily injury** or **property damage** resulting from or attributed to the intentional discharging of any firearm with the intent to injure or harm. This exclusion applies to **bodily injury** or **property damage** caused by any **insured person** or any other resident or visitor whether at or away from the **insured premises**.

3. **Personal Liability Claims We Will Not Cover**

We will not cover the following types of claims:

- a. **We** will not cover claims for any injury, damage, expense, cost, loss, liability or legal obligation arising out of, or in any way related to pollution,

however caused. **We** shall have no duty to defend any suit arising out of, or in any way related to, pollution. Pollution includes the actual, alleged or potential presence in, or introduction into, the environment of any pollutant which has or is alleged to have the effect of making the environment impure, harmful or dangerous. Environment includes any air, land, property or watercourse including underground water. Pollutant means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

- b. **We** will not cover loss or expense, including clean-up costs, resulting from asbestos or asbestos-containing material.
- c. **We** will not cover claims for any injury, damage, expense, cost, loss, liability or legal obligation arising out of, or in any way related to, the toxic properties of lead or lead-containing products, materials or substances. This exclusion applies to all forms of lead, including but not limited to solid, liquid, vapor and fumes.

This exclusion applies, but is not limited to, any injury, damage, expense, cost, loss, liability or legal obligation to test for, monitor, abate, remove, or take any other remedial action with respect to lead or lead-containing products, materials or substances. The addition of this exclusion does not imply that other policy provisions, including but not limited to any pollution exclusion, do not also exclude coverage for lead-related injury, damage, expense, cost, loss, liability or legal obligation.

4. **Medical Payments to Others Coverage** does not apply to **bodily injury**:

- a. To a **residence employee** if it occurs off the **insured premises** and does not arise out of or in the course of the **residence employee's** employment by any **insured person**;
- b. To any person eligible to receive any benefits required to be provided or voluntarily provided under any workers compensation, non-occupational disability or occupational disease law;
- c. From any nuclear reaction, radiation or radioactive contamination, whether controlled or uncontrolled or however caused, or any consequence of any of these; or
- d. To an **insured person** within the meaning of part b. of **insured person** as defined.

CONDITIONS APPLYING TO SECTION II – PERSONAL LIABILITY**1. What You Must Do In Case of Loss**

In case of an accident of **occurrence**, an **insured person** shall perform the following duties. **You** shall cooperate with **us** in seeing that these duties are performed:

- a. Give written notice to **us** or **our** agent as soon as practicable. The notice must state;
 - (1) The identity of the policy and **insured person**;
 - (2) Reasonably available information regarding the time, place and circumstances of the accident or **occurrence**; and
 - (3) Names and addresses of any claimants and available witnesses;
- b. Promptly forward to **us** every notice, demand, summons or other document relating to the accident or **occurrence**;
- c. At **our** request, submit to examination under oath, as often as **we** require, while not in the presence of any other **insured person**, and sign the same; and
- d. At **our** request, assist in;
 - (1) making settlement;
 - (2) the enforcement of any right of contribution or indemnity against any person or organization who may be liable to any **insured person**;
 - (3) the conduct of suits and attend hearings at trials; and
 - (4) securing and giving evidence and obtaining the attendance of witnesses;
- e. Under the coverage **Damage to Property of Others**, submit to **us** within sixty (60) days after the **loss**, a sworn statement of **loss** and exhibit the damaged property, if within and **insured person's** control;
- f. An **insured person** shall not, except at the **insured person's** own cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of the **bodily injury**.

2. Duties of an Injured Person – Medical Payments to Others Coverage

The injured person or someone acting on behalf of the injured person shall:

- a. Give **us** a written proof of claim, under oath if required, as soon as practicable;

- b. Execute authorization to allow **us** to obtain copies of medical reports and records; and
- c. The injured person shall submit to physical examination by a physician selected by **us** when and as often as **we** reasonably require.

3. Liability Limit

Regardless of the number of **insured persons**, claims made or persons injured, our total liability under the **Personal Liability Coverage** stated in this policy for all damages resulting from any one **occurrence** shall not exceed the liability limit for this coverage as stated on the Declarations Page. All **bodily injury** and **property damage** resulting from any one accident or from continuous or repeated exposure to substantially the same general conditions shall be the result of one **occurrence**. **Our** total liability under the **Medical Payments To Others Coverage** for all medical expense payable for **bodily injury** to one person as the result of one accident shall not exceed the liability limit for this coverage as stated on the Declarations Page.

4. Suit Against Us

Legal action may not be brought against **us** unless there has been full compliance with all policy provisions. No one may make **us** a party to any action against an **insured person**. No action under **Personal Liability Coverage** can be brought against **us** until the obligation of an **insured person** has been determined by final judgment after a trial and exhaustion of appeals or by agreement signed by **us**.

5. Bankruptcy

We are not relieved of any obligation under this section because of the bankruptcy or insolvency of an **insured person**.

6. Other Insurance – Liability Coverage

Insurance under this section shall apply as excess insurance over other valid and collectible insurance which would apply in the absence of this policy.

CONDITIONS APPLYING TO SECTION I AND SECTION II

This policy is issued in reliance upon the truth of **your** representations, and this policy includes all agreements existing between **you** and **us**.

1. Liberalization Clause

If **we** adopt any revision which would broaden the coverage under this policy without additional premium during the policy period, the broadened coverage will immediately apply to this policy.

2. Policy Period

This policy applies only to **loss** under **SECTION I** or **bodily injury** or **property damage** under **SECTION**

II, which occurs during the policy period. The policy period shall be as shown on the Declarations Page under "Policy Period" and for successive periods as stated below. If **we** elect to continue this insurance, **we** will renew this policy if **you** pay the required renewal premium for each successive policy period, subject to our premiums, rules and forms then in effect. **You** must pay **us** prior to the end of the current policy term or else this policy will expire. If a **lienholder** is named in this policy, **we** will continue this insurance for the **lienholder's** interest for 30 days after written notice of termination to the **lienholder** and then this policy will terminate as to the **lienholder's** interest.

3. Nonrenewal

If **we** elect not to renew this policy, **we** will provide written notice to **you**, at **your** address shown on the Declarations Page, at least 30 days before the expiration date of this policy. Proof of mailing shall be sufficient proof of notice.

4. Concealment of Fraud

We do not provide coverage for an **insured** has:

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

5. Waiver or Change of Policy Provisions – Assignment

A waiver or change of any provisions of this policy must be authorized by **us** in writing in order to be valid. **Our** request for an appraisal or examination shall not waive any of **our** rights. Assignment of interest under this policy shall not bind **us** unless **we** give **our** written consent.

6. Cancellation

- a. **You** may cancel this policy at any time by returning it to **us** or by notifying **us** in writing of the future date cancellation is to take effect.
- b. **We** may cancel this policy for the reasons stated in this Condition by notifying **you** in writing of the date cancellation takes effect. This cancellation notice may be delivered to **you** or mailed to **you** at **your** address shown on the Declarations Page or the last address known to **us** or **our** authorized agent. Proof of mailing shall be sufficient proof of notice:

- (1) when **you** have not paid the premium, whether payable to **us** or to our agent, **we** may cancel at any time by notifying **you** at least 10 days before the date cancellation takes effect.

- (2) when this policy has been in effect for less than 60 days and is not a renewal with **us**, **we** may cancel for any reason by notifying **you** at least 10 days before the date cancellation takes effect.

- (3) after this policy has been in effect for 60 days or more, or at any time if it is a renewal with **us**, **we** may cancel if there has been a material misrepresentation of fact which, if known to **us**, would have caused us not to issue the policy, or if the risk has changed substantially since the policy was issued, or for any other reason allowed by state law. This can be done by notifying you at least 30 days before the date cancellation takes effect.

- (4) When this policy is written for a period longer than 1 year, **we** may cancel for any reason at the anniversary date of the policy by notifying **you** at least 30 days before the date cancellation takes effect.

- c. If your policy is cancelled by **you** or **us**, **we** will return no more than the pro-rated unearned share of **your** premium.

7. Subrogation – Our Right to Recover Payment

After making payment under this policy, **we** will have the right to recover from anyone held responsible. The **insured person** will sign papers and do whatever is required to transfer this right to **us**, and do nothing to harm this right. Anyone receiving the benefit of a payment under this policy will hold in trust for **us** the proceeds of any recovery of damages from another party, and reimburse us to the extent of **our** payment. This Condition does not apply under **SECTION II – Medical Payments to Others Coverage or Damage to Property of Others**.

8. Death

If during the term of this policy, **you** die, **we** insure **your** legal representative, but only with respect to the **insured premises** and insured property.

9. Policy Conforms to Statute

Any terms of this policy which are in conflict with the statutes of the state where issued are amended to conform to the statutes.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**SPECIAL PROVISIONS – FLORIDA****SECTION I - DEFINITIONS**

The following definition is added:

22. Sinkhole Activity, meaning settlement or systematic weakening of the earth supporting such property. The settlement of systematic weakening must result from movement or raveling of soils, sediments, or rock material into subterranean voids created by the effect of water on limestone or similar rock formations.

23. Sinkhole means a landform created by subsidence of soil, sediment or rock as underlying strata are dissolved by groundwater. A sinkhole may form by collapse into subterranean voids created by dissolution of limestone or dolostone or by subsidence as these strata are dissolved.

24. Sinkhole Loss, meaning actual physical damage:

- a. Arising out of, or
- b. Caused by;
Sinkhole Activity

SECTION I – PROPERTY NOT COVERED

The following exclusion is added:

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

- (a) Accessories or antennas; or
- (b) Tapes, wires, records, discs or other media; for use with any electronic apparatus described in this item;

The exclusion of property described in this item applies only while the property is in or upon the vehicle or conveyance.

SECTION I – COVERAGE PROVIDED

The following items 1. (a) and 1. (b) are added:

- (a) In case of damage by **flood** or **earth movement** in which direct **loss** by fire or explosion ensues, we will pay for that portion of the **loss** caused directly by fire or explosion.
- (b) We insure for direct physical loss to a property covered under Section I caused by a sinkhole loss including the costs incurred to:
 1. Stabilize the land and building; and

2. Repair the foundation:

in accordance with the recommendations of the professional engineer who verifies the presence of a sinkhole loss in compliance with Florida sinkhole testing standards and in consultation with you.

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

SECTION I – CONDITIONS**8. Mediation, Appraisal or Neutral Evaluation**

a. If you and we fail to agree on the amount of loss, either may:

1. Demand a **mediation** of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request. The settlement in the course of the mediation is binding only if both parties agree, in writing, on a settlement and, you have not rescinded the settlement within three (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 mediator's fee for that rescheduled conference. However, if we fail to appear at a mediation conference, we will pay your actual cash expenses incurred while attending the conference and pay the mediator's fee for the rescheduled conference.

2. Demand an **appraisal** of the loss. In this event, each party will choose a competent appraiser within twenty (20) days after the receipt of a written request from the other. The two appraisers will choose a competent and independent umpire. If they cannot agree upon an umpire within fifteen (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 demand 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.

- b. Alternatively, following the receipt of a sinkhole report or denial of a sinkhole loss claim, you may participate in the alternative dispute resolution or neutral evaluation for disputed sinkhole insurance claims provided by § 627.7074, Florida Statutes. We will provide you the consumer information pamphlet prepared by the department that clearly describes the neutral evaluation process and includes the forms necessary to request a neutral evaluation. The neutral evaluation will supersede the mediation and appraisal for settlement of sinkhole losses.

Payment of Loss is deleted and replaced by the following:

7. **Payment of Loss**

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:

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

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

14. **Suit Against Us**

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

SECTION II – PERSONAL LIABILITY COVERAGE

The following limitation is added:

3. Our total liability under this coverage for damages for which an "insured" is legally liable because of vicarious parental liability not otherwise excluded is \$10,000. This sub-limit is within, but does not increase the limit of liability that applies to Personal Liability coverage.

SECTION I AND II – CONDITIONS

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

3. **Nonrenewal**

We may elect not to renew this policy. However, we will not nonrenew this policy;

- a. We may do so by delivering to you or mailing to you at your mailing address shown in the Declarations, written notice, together with the specific reason(s) for nonrenewal, at least ninety (90) days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

- b. However, we will not nonrenew 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 the "insured" has failed to take action reasonably necessary as requested to prevent recurrence of damage to the insured property; or
- (2) Solely as the result of a single claim on your policy caused by water damage, unless you have failed to take action reasonable requested by us to prevent a future similar occurrence of damage to the insured property; or
- (3) On the basis of filing of claims for partial loss caused by sinkhole damage or clay shrinkage, regardless of whether this policy has been the 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:
 - (i) The total of such property claim payments for this policy exceeds the current policy limits of coverage for property damage; or
 - (ii) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based.

4. **Concealment or Fraud**

- a. Under Section I – Property Coverages, with

respect to all “insureds” covered under this policy, we Provide no coverage for loss under Section I – Property Coverages if, whether before or after a loss, one or more “insureds” have:

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

b. Under Section II – Liability Coverages, we do not provide coverage to one or more “insureds” who, whether before or after a loss, have:

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

6. Cancellation

Paragraphs b. and c. are deleted and replaced by the following:

- b. When this policy has been in effect for 90 days or less, we may cancel immediately if there has been a material misstatement or misrepresentation or failure to comply with underwriting requirements.
- c. We may also cancel this policy subject to the following provisions. A written cancellation notice, together with the specific reasons for cancellation, will be delivered to you, or mailed to you at your mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

- (1) When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
- (2) When this policy has been in effect for 90 days or less, we may cancel for any reason by providing notice at least 20 days before the date cancellation takes effect 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 to prevent recurrence of damage to the insured property; or
 - (b) Solely as the result of a single claim on your policy caused by water damage, unless you have failed to take action

reasonable requested by us to prevent a future similar occurrence of damage to the insured property; or

- (c) On the basis of filing of claims for partial loss caused by sinkhole damage or clay shrinkage, regardless of whether this policy has been the 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:
 - (i) The total of such property claim payments for this policy exceeds the current policy limits of coverage for property damage; or
 - (ii) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based.
- (3) When this policy has been in effect for more than 90 days, we may cancel:
 - (a) By providing notice at least 90 days before the date cancellation takes effect:
 - (i) If there has been a material misstatement;
 - (ii) If the risk has changed substantially since the policy was issue;
 - (iii) In the event of failure to comply with Underwriting requirements established by us within 90 days of the effective date of coverage;
 - (iv) If the cancellation is for all insureds under policies of this type for a given class of insureds;
 - (v) 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 reasonable necessary as requested by us to prevent recurrence of damage to the insured property;
 - (vi) On the basis of filing of claims for partial loss caused by sinkhole damage or clay shrinkage, regardless of whether their policy has been the subject of a sinkhole claim, or on the basis of the risk associated with the occurrence of such a claim; if
 1. The total of such property claim payments for this policy exceeds the current policy limits of coverage for property damage; 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;
 - (vii) On the basis of filing a single claim which was the result of water damage, if we can demonstrate that you have failed to take action reasonable requested by us to prevent a future occurrence of damage to the insured property; or
 - (viii) For any other reason or at any time permitted by law.
- d. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.
 - e. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within 15 working days after the effective date of cancellation.

7. Subrogation – Our Right to Recover Payment

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

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

The following condition is added:

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 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.

All other provisions of this policy apply.