

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**SPECIAL PROVISIONS****FORMS DP – 1 and DP – 3****DEFINITIONS**

The following definitions are added:

“Catastrophic ground cover collapse”

- a. “Catastrophic ground cover collapse” 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 to the building, including the foundation;
 - (4) The “residence premises” being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for the “residence premises.”

“Sinkhole activity”

- a. “Sinkhole activity” means settlement or systematic weakening of the earth supporting such property only when such settlement or systematic weakening results from movement or raveling of soils, sediments or rock materials into subterranean voids created by the effect of water on a limestone or similar rock formation.

“Sinkhole”

- a. “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.

“Sinkhole loss”

- a. “Sinkhole loss”, means structural damage to the building, including the foundation, caused by “sinkhole activity”. Contents shall apply only if there is structural damage to the building caused by “sinkhole activity”.

“Professional engineer”

- a. “Professional engineer” means a person, as defined in Florida statute 471.005, who has a bachelor’s degree or higher in engineering with a specialty in the geotechnical engineering field. A professional engineer must have geotechnical experience and expertise in the identification of sinkhole activity as well as other potential causes of damage to the structure.

“Professional geologist”

- a. “Professional geologist” means a person, as defined by Florida statute 492.102, who has a bachelor’s degree or higher in geology or related earth science with expertise in the geology of Florida. A professional geologist must have geological experience and expertise in the identification of sinkhole activity as well as other potential geologic causes of damage to the insured structure.

“Fungi”

“Fungi” means any type or form of fungus, including:

- a. Mold or mildew; and
- b. Any mycotoxins, toxins, spores, scents or by-products produced or released by fungi.

Under **DP 00 01** and **DP 00 03** with **DL 24 01**, this does not include any fungi, yeast or bacteria that are, are on, or are contained in a good or product intended for consumption.

COVERAGES**COVERAGE C – Personal Property**

The following limitation is added as follows:

\$500 is the maximum loss payable for covered property stored in freezers or refrigerators on the Described Location.

We will pay that part of covered loss to refrigerated property that exceeds \$100.

No other deductible applies to this coverage.

Property Not Covered

Paragraph 1. is deleted and replaced by the following:

1. Accounts, Bank notes, Bills, Bullion, Coins, Currency, Deeds, Evidences of debt, Gold other than goldware, Silver other than silverware, Platinum, Letters of credit, Notes other than bank notes, Manuscripts, Medals, Money, Securities, Personal records, Passports, Tickets, Stamps, Trading cards and Comic books.

OTHER COVERAGES

In Form DP 00 03, Other Coverages Item 5. is deleted and replaced by the following:

5. Fair Rental Value and Additional Living Expense

- a. You may use up to the Coverage D Limit of Liability shown on your Declarations for loss of Fair Rental Value as described in Coverage D – Fair Rental Value; or
- b. You may use up to the Coverage E Limit of Liability shown on your Declarations for loss of Additional Living Expense as described in Coverage E – Additional Living expense.

In either event, the payments(s) will be limited to (24) consecutive months from the date of the covered loss.

Use of this coverage does not reduce the Coverage A Limit of Liability or Coverage C Limit of Liability.

In Form DP 00 01, the following is added to Other Coverages Item 5.:

Payments(s) will be limited to (24) consecutive months from the date of the covered loss.

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

11. Glass or Safety Glazing Material

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

pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.

- b. This coverage does not include loss:
 - (1) To covered property which results because the glass or safety glazing material has been broken, except as provided in a.(3) above; or
 - (2) On the Described Location if the dwelling has been vacant for more than thirty (30) consecutive days immediately before the loss, except when the breakage results directly from Earth Movement as provided for in a.(2) above.

A dwelling being constructed is not considered vacant.

Loss to glass covered under this Other Coverage 11. will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

This coverage does not increase the Limit of Liability that applies to the damaged property.

The following Other Coverage is added:

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

- a. We will pay up to \$10,000 for:
 - (1) The total of all loss payable under the Coverages section of your policy caused by "fungi," wet or dry rot, yeast or bacteria;
 - (2) The cost to remove "fungi," wet or dry rot, yeast or bacteria from property covered under the Coverages section of your policy;
 - (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, yeast 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, yeast 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, yeast or bacteria.
- b. The coverage described in a. only applies:
 - (1) When such loss or costs are a result of a Peril Insured Against that occurs during the policy period; and
 - (2) Only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.
 - c. \$10,000 is the most we will pay for the total of all loss or costs payable, including Additional Living Expense or Fair Rental Value under this Other Coverage resulting from any one loss regardless of the:
 - (1) Number of locations insured; or
 - (2) Number of occurrences or claims made; or
 - (3) Number of insureds.
 - d. If there is covered loss or damage to covered property, not caused, in whole or in part, by "fungi," wet or dry rot, yeast or bacteria, loss payment will not be limited by the terms of this Other Coverage, except to the extent that "fungi," wet or dry rot, yeast or bacteria causes an increase in the loss.

Any such increase in the loss will be subject to the terms of this Other Coverage.

This coverage does not increase the Limit of Liability applying to the damaged covered property.

PERILS INSURED AGAINST

In Form **DP 00 03**:

Coverage A – Dwelling And Coverage B – Other Structures

Paragraph **2.g.** is deleted and replaced by the following:

- g. Constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years unless:

- (1) Such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all insureds; and,
- (2) Is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

Paragraph **2.h.(2)** is deleted and replaced by the following:

- (2) Inherent vice, latent defect, defect or mechanical breakdown;

Paragraph **2.h.(3)** is deleted and replaced by the following:

- (3) Smog, rust, decay or other corrosion;

In Form **DP 00 03**:

Coverage C – Personal Property

12. Accidental Discharge Or Overflow Of Water Or Steam

Paragraph **12.d.** is added to PERILS INSURED AGAINST:

- d. Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years; unless:
 - (1) Such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all insured's; and
 - (2) Is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

In forms **DP 00 01** and **DP 00 03**:

The following are added to PERILS INSURED AGAINST:

Catastrophic Ground Cover Collapse

- a. We insure for direct physical loss to property covered under Coverage A and Coverage B cause by the peril of "catastrophic ground cover collapse";
- b. Coverage C applies if there is a direct physical loss resulting from a "catastrophic ground cover collapse", unless the loss is excluded elsewhere in this policy;

- c. Structural 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";
- d. Direct physical loss from "catastrophic ground cover collapse" does not apply to the costs to repair the depression or hole, or to stabilize the land on the insured premises;
- e. This coverage does not increase the Limit of Liability that applies to the damaged property.

Sinkhole Loss

- a. We insure for direct physical loss to property covered under Coverage **A**, and Coverage **B** caused by the peril of "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 professional engineer must be selected or approved by us.

- b. Coverage **C** applies if there is a direct physical loss resulting from a "sinkhole loss", subject to the Limit of Liability shown on the Declarations;
- c. This coverage does not increase the Limit of Liability applying to the covered property;
- d. **Sinkhole Deductible**
 - (1) The Sinkhole Deductible, which applies to all "sinkhole losses", is shown on the Declarations Page.
 - (2) The Sinkhole Deductible applies separately to each covered "sinkhole loss".
 - (3) The Sinkhole Deductible does not apply to any loss resulting from "catastrophic ground cover collapse", as defined in this form. The "All Other Perils" Deductible applies to "catastrophic ground cover collapse" losses.

In Forms **DP 00 01** and **DP 00 03** with **DP 04 65**;
In Form **DP 04 65**:

Paragraph **2.g.** is deleted and replaced by the following:

- g. Constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years; unless:
 - (1) Such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all insureds; and

Is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

Paragraph **2.h.(2)** is deleted and replaced by the following:

- (2) Inherent vice, latent defect, defect or mechanical breakdown;

Paragraph **2.h.(3)** is deleted and replaced by the following:

- (3) Smog, rust, decay or other corrosion;

GENERAL EXCLUSIONS

In forms **DP 00 01** and **DP 00 03**

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

- b. Earth Movement and Settlement, meaning:
 - (1) Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
 - (2) Landslide;
 - (3) Mine subsidence;
 - (4) Mudflow;
 - (5) Earth sinking, rising or shifting;
 - (6) Clay shrinkage or other expansion or contraction of soils or organic materials;
 - (7) Decay of buried or organic materials; or
 - (8) Settling, cracking or expansion of foundations;

Whether caused by natural or man made activities; unless direct loss by:

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

Ensues and then we will pay only for the ensuing loss.

This Exclusion does not apply to loss by "Catastrophic Ground Cover Collapse" or "Sinkhole Loss", as defined in this endorsement.

(This is exclusion **A.2.** in Form **DP 00 01**)

Power Failure 1.d. is deleted and replaced by the following:

d. Power Failure, meaning:

The failure of power or other utility service if the failure takes place off the Described Location.

But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the Described Location, we will pay for the loss or damage caused by that Peril Insured Against.

(This is exclusion **A.4.** in Forms **DP 00 01**)

The following Exclusion **1.j.** is added to GENERAL EXCLUSIONS.

j. "Fungi," Wet Or Dry Rot, Yeast Or Bacteria meaning:

The presence, growth, proliferation, spread or any activity of "fungi," wet or dry rot, yeast or bacteria.

This Exclusion does not apply:

- (1) When "fungi," wet or dry rot, yeast or bacteria results from fire or lightning; or
- (2) To the extent coverage is provided for in the "Fungi," Wet Or Dry Rot, Yeast Or Bacteria Additional Coverage under 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, yeast or bacteria is covered.

(This is General Exclusion **A.10.** in Form **DP 00 01**)

The following Exclusion **1.k.** is added to GENERAL EXCLUSIONS.

k. Existing Damage

- (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; and

- (2) Claims or damages arising out of workmanship, repairs or lack of repairs arising from damage which occurred prior to policy inception; and
- (3) Coverage for any stated amount until and unless all structures covered by your previous policy have been fully and completely repaired. Prior to such completion of repairs, coverage will be limited to the greater:
 - (a) The actual cash value of the property at the time of a covered loss occurring during this policy period; or
 - (b) The cost of repairing the property to a state at which it existed at the time of a covered loss, provided that such repairs have been made;

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

- (4) Visible physical damage caused by "sinkhole activity" occurring prior to the inception of the policy.

(This is General Exclusion **A.11.** in Form **DP 00 01**)

In Form **DP 00 01**

The following Exclusions are added to GENERAL EXCLUSIONS:

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, including the tearing out and replacing any part of a covered building necessary to repair the system or appliance from which the water or steam escaped.

This includes loss:

- a. Caused by constant or repeated seepage or leakage of water or the presence or condensation of humidity, moisture or vapor, over a period of weeks, months or years; unless:

- (1) Such seepage or leakage of water or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all insureds; and
- (2) Is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.
- b. To the system or appliance, including a sump, sump pump or related equipment from which the water or steam escaped;
- c. Caused by or resulting from freezing;
- d. On the Described Location caused by accidental discharge or overflow which occurs off the Described Location.

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

In Forms **DP 00 01** and **DP 00 03**

The following Exclusions are added to GENERAL EXCLUSIONS:

Smog, Rust, Decay or Other Corrosion

This policy does not include loss caused by smog, rust, decay or other corrosion.

Inherent Vice, Latent Defect, Defect or Mechanical Breakdown

This policy does not include loss caused by inherent vice, latent defect, defect or mechanical breakdown.

CONDITIONS

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

3. **Concealment or Fraud**

With respect to all persons insured under this policy, we provide no coverage for loss if, whether before or after a loss, one or more persons insured under this policy have:

- a. Intentionally concealed or misrepresented any material fact or circumstance;
- b. Engaged in fraudulent conduct; or

- c. Made false statements; relating to this insurance.

In form **DP 00 01**

5. Loss Settlement

The following condition is added to section 5. as follows:

If the dwelling where loss or damage occurs has been vacant for more than (30) consecutive days before the loss or damage, we will not pay for any loss or damage caused by any of the following perils, even if they are Covered Causes of Loss:

- a. Vandalism;
- b. Sprinkler leakage, unless you have protected the system against freezing;
- c. Dwelling glass breakage; or
- d. Water damage.

Dwellings under construction are not considered vacant.

In form **DP 00 03**

5. Loss Settlement

The following condition is added to this section as **b.(6)**.

(6) If the dwelling where loss or damage occurs has been vacant for more than (30) consecutive days before the loss or damage, we will not pay for any loss or damage caused by any of the following perils, even if they are Covered Causes of Loss:

- (a) Vandalism;
- (b) Sprinkler leakage, unless you have protected the system against freezing;
- (c) Dwelling glass breakage; or
- (d) Water damage.

Dwellings under construction are not considered vacant.

In Form **DP 00 01** and **DP 00 03**

Loss Settlement paragraph 5.c. is added as follows:

(This is an additional condition in CONDITIONS,

5. Loss Settlement of Form DP 00 01)

- c. In event of a "sinkhole loss":

- (1) We will pay for “sinkhole loss”, subject to **(6)(b)** below, up to the applicable Limit of Liability shown in the Declarations;
- (2) The applicable Limit of Liability shown in the Declarations, subject to **(6)(b)** below, is the most we will pay for any one loss until all repairs, including building and land stabilization are completed in accordance with the recommendations of the professional engineer who verifies the presence of a “sinkhole loss” in compliance with Florida sinkhole testing standards;
- (3) We will pay no more than the actual cash value of the covered sinkhole loss, not including underpinning or grouting or any other repair technique performed below the existing foundation of the building, until you enter into a contract for the performance of building stabilization or foundation repairs;
- (4) Once you enter into such contract, we will pay the amounts necessary to begin and perform such repairs as the work is performed and the expenses are incurred;
- (5) We may, at our option and with your written approval, make payment directly to the persons selected by you to perform the land and building stabilization and foundation repairs. We shall not require you to advance payment for such repairs;
- (6) If repair has begun and the professional engineer selected or approved by us determines that the repairs will exceed the available Limit of Liability, we will, at our option, either:
 - (a) Complete the engineer’s recommended repair; or
 - (b) Pay the policy limits to you without a reduction for the repair expenses incurred.

- (7) If you have submitted a sinkhole claim without good faith grounds for submitting such claim and such claim is not withdrawn prior to our ordering a sinkhole analysis to investigate your claim, you are required, after we obtain written certification that there is no sinkhole activity, to reimburse us for 50% of the actual costs, up to \$2500, of the analysis and services provided by an engineer or professional geologist to conduct testing to determine the cause of loss; pursuant to Florida Statutes 627.7072 and 627.7073.

In forms **DP 00 01** and **DP 00 03**

8. Appraisal is deleted and replaced by the following:

8. Mediation or Appraisal

If you and we fail to agree on the amount of loss, other than “Sinkhole Loss” either may:

- a. Demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services.
 - (1) 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;
 - (2) The settlement in the course of the mediation is binding only if:
 - (a) Both parties agree, in writing, on a settlement; and;
 - (b) You have not rescinded the settlement within three (3) business days after reaching settlement.
 - (3) You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you;
 - (4) 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.

(5) However, if we fail to appear at a mediation conference, we will pay:

(a) Your actual cash expenses incurred while attending the conference; and

(b) Also pay the mediator's fee for the rescheduled conference.

b. Demand an appraisal of the loss.

In this event, each party will choose a competent and disinterested appraiser within twenty (20) days after the receipt of a written request from the other:

(1) 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 Described Location is located;

(2) The appraisers will separately set the amount of the loss and assign the amount of loss attribute to each specific policy coverage;

(3) If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of the loss;

(4) 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;

(5) A decision by any two must assign the amount of loss attributable to each specific policy coverage;

(6) An appraisal decision is subject to all terms and conditions of this policy;

(7) Each party will:

(a) Pay its own appraiser;

(b) Pay its own attorney fees; and

(c) 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.

c. **Neutral Evaluation of a "sinkhole loss".**

Neutral evaluation supersedes the alternative dispute resolution described in a. and b. above.

Following receipt by us of a report from a "professional engineer" or a "professional geologist" on the cause of loss and recommendations for stabilizing the land and building and foundation repairs, or if we deny your claim, either party may file a request with the Florida Department of Financial Services (the Department) for neutral evaluation in accordance with the rules established by the Department. In this event, you and we shall mutually select a neutral evaluator from a list maintained by the Department. If you and we fail to agree to a neutral evaluator within 10 business days, the Department shall appoint a neutral evaluator. The neutral evaluator conference shall be held within 45 days after the receipt of the request by the Department. The recommendation of the neutral evaluator will not be binding on you or us.

Filing a request for neutral evaluation tolls the applicable time requirements for filing suit for a period of 60 days following the conclusion of the neutral evaluation process or five years, whichever is later.

We will pay the costs associated with the neutral evaluation.

10. Subrogation

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 Described Location is located.

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

11. Suit Against Us

No action can be brought; unless:

(a) There has been full compliance with all of the terms of this policy; and

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

Except that the time for filing suit is extended for a period of sixty (60) days following the conclusion of the neutral evaluation process or five (5) years, whichever is later.

12. Our Option is deleted and replaced by the following:

12. Our Option

We may, at our option, repair or replace any covered part or item of damaged property. If an identical replacement is not available, substitute replacement of equal or greater features and functions will be substituted.

13. Loss Payment is deleted and replaced by the following:

13. 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:

a. Twenty (20) days after we receive your proof of loss and reach written agreement with you; or

b. Sixty (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.

c. Within 90 days after we receive the notice of a property insurance claim from you, we shall pay or deny such claim or portion of such claim, unless there are circumstances beyond our control which reasonably prevent such payment.

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

17. Cancellation

Paragraphs **b.**, **c.**, **d.** and **e.** are deleted and replaced by the following:

b. When this policy has been in effect for ninety (90) days or less, we may cancel immediately:

(1) If there has been a material misstatement or misrepresentation; or

(2) 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 reason(s) 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 ten (10) days before the date the cancellation takes effect;

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

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

(b) Solely as the result of a single claim on your policy caused by water damage, unless you have 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 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 cancel 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.

Except as provided in item **17.b.** and **17.c.(1)** above, we will let you know of our action at least twenty (20) days before the date the cancellation takes effect.

- (3) When the policy has been in effect for more than ninety (90) days, we may cancel:
 - (a) If there has been a material misstatement;
 - (b) If the risk has changed substantially since the policy was issued;
 - (c) In the event of failure to comply with underwriting requirements established by us within ninety (90) days of 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) Solely as the result of a single claim on your policy caused by water damage, unless you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property; or

- (g) 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, 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.

This can be done by letting you know at least one-hundred (100) days before the date the cancellation takes effect.

However, we shall give at least one-hundred (100) days' written notice, or when required by law, written notice by June 1, whichever is earlier, for any cancellation that would be effective between June 1 and November 30.

- 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 returned with the policy notice of cancellation or when this policy is returned to us, we will refund it within 15 working days after the date cancellation takes effect.
- f. An insurer that cancels a property insurance policy on property secured by a mortgage due to the failure of the lender to make timely payment of the premium when due shall reinstate the policy as required by Florida Statute 501.137.

18. Nonrenewal is deleted and replaced by the following:

18. Nonrenewal

We may elect not to renew 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 one-hundred (100) days before the expiration date of this policy.

However, for any nonrenewal effective between June 1 and November 30:

- (1) We shall give at least one-hundred (100) days' written notice; or
- (2) When required by law, written notice by June 1, whichever is earlier.

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 water damage, unless you have failed to take action reasonably 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:

- (a) The total of such property claim payments for this policy exceeds the current policy limits of coverage for property damage; or

- (b) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based.

The following Condition **26. Renewal Notification** is added to your policy:

26. 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 forty-five (45) days before the expiration date of this policy.

Proof of mailing will be sufficient proof of notice.

The following Condition **27. Adjustment to Property Coverage Limits** is added to your policy:

27. Adjustment to Property Coverage Limits

- a. If your policy is a renewal with us, the Limit of Liability for Coverages **A, B, C, D** and **E** may be adjusted;
- b. Any adjustment in the limits of liability indicated above does not, in any way, represent, warrant, or guarantee to any person or entity, that:
 - (1) These adjustments will keep pace with inflation; or
 - (2) That the amounts of coverage are adequate to repair or rebuild any specific building or structure.

The following Condition **28. Deductible** is added as follows:

28. Deductible

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

Subject to the policy limits that apply, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.

All other provisions of this policy apply.