

**Florida Family Insurance Company**  
**Effective 07/22/2013 for New Business & 07/22/2013 for Renewals**

- a. Demand a mediation of the loss in accordance with the rules established by the 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in the course of the mediation is binding only if both parties agree, in writing, on a settlement and, you have not rescinded the settlement within 3 business days after reaching settlement.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 you incur in attending the conference and also pay the mediator's fee for the rescheduled conference.

- b. Demand an appraisal of the loss. If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "Residence premises" is located. We are not liable for court costs, attorneys fees, or expenses for an action including such fees, expenses, and costs for the voluntary dismissal by us of such an action. 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.

You or we may request the umpire describe the scope of work, the information analyzed, the appraisal methods, techniques employed, and the reasoning that supports the analyses, opinions, and conclusions used to develop the appraisal award in a line item appraisal report.

An appraisal award is subject to all of the terms and conditions of the policy. We do not give up any of our rights to challenge an element of loss as not being covered under the policy by participating in appraisal. Only if a court determines that coverage exists for that element of loss will the amount be binding on us. Where the amount of any loss payable by us must be

incurred as a condition of the policy, we have no obligation to pay any such amounts that are awarded until the cost or expense is actually incurred.

You or we cannot request appraisal any earlier than 14 days after we have received your signed proof of loss. You must demand appraisal from us under this policy prior to the expiration of the applicable period of limitations governing legal or equitable actions on a contract under Florida Law. Appraisal is required as a prerequisite before an Insured can file suit related to Section I-Property Coverages.

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

9. **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.

10. **Our Option** is deleted and replaced by the following:

10. **Our Option.** We may repair or replace any part of the property damaged or stolen with similar property.

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

11. **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 under the earlier of the following:

- 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 a mediation settlement with us; or
- c. Within Ninety (90) days after we receive notice of an initial, reopened or supplemental property insurance claim from you. We will pay or deny such claim unless the failure to pay such claim is caused by factors beyond the control of the insurer which reasonably prevents such payment.

**SECTION I-CONDITIONS**

The following condition is added:

18. **Salvage**

We have the option to take all, or any part, of the property that has been destroyed or damaged at the agreed or appraised value.

**SECTION II – EXCLUSIONS**

**Under 1. Coverage E – Personal Liability and Coverage F – Medical Payments To Others, Items a. and I. are deleted and replaced by the following:**

- a. Which results from an act or omission by an "Insured" reasonably expected to cause "bodily injury" or "property damage;"