

Safe Harbor Insurance Company
Effective 11/15/2017 for New Business and
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- (a) The time and cause of loss;
 - (b) The interest of the "insured" and all others in the property involved and all liens on the property;
 - (c) Other insurance which may cover the loss;
 - (d) Changes in title or occupancy of the property during the term of the policy;
 - (e) Specifications of damaged buildings and detailed repair estimates;
 - (f) The inventory of damaged personal property described in **2.a.(7)** above;
 - (g) Receipts for additional living expenses incurred and records that support the fair rental value loss; and
 - (h) Evidence or affidavit that supports a claim under Additional Coverage **6**. Credit Card, Fund Transfer Card, Forgery and Counterfeit Money under Section **I** – Property Coverage, stating the amount and cause of loss.
- (10) At our request, provide to us or execute an authorization which allows us to obtain on your behalf records and documentation we reasonably deem relevant to the investigation of your loss; and
- (11) You may not accept a rebate from any person performing repairs related to a loss from "sinkhole loss" or "catastrophic ground cover collapse". If you receive a rebate, coverage is void and you must refund the amount of the rebate to us. As used in this paragraph, the term "rebate" means a remuneration, payment, gift, discount, or transfer of any item of value to the policyholder by or on behalf of a person performing the repairs as an incentive or inducement to obtain repairs performed by that person.

These duties under **2.a.** apply regardless of whether you, an "insured" seeking coverage, or a representative of either retains or is assisted by a party who provides legal advice, insurance advice or expert claim advice, regarding an insurance claim under this policy.

- b. For all other claimants seeking benefits under Section **I** of this policy, in the case of a loss to covered property, we have no duty to provide coverage under this policy to a claimant, if the failure to comply with the following duties is prejudicial to us:

- (1) Provide documentation that substantiates the claimant's right to bring a claim under this policy, and permit us to make copies;
- (2) Provide documentation that details,

itemizes, and substantiates the scope and amount of loss for which the claimant is making a claim under this policy, including all updates to the scope and revised documentation, and permit us to make copies; and

- (3) Participate in appraisal or other alternative dispute resolution method in accordance with the terms of the policy.

These duties must be performed as often as we reasonably require, by each of the following:

- (1) A claimant seeking benefits;
- (2) The claimant's agents;
- (3) The claimant's representatives; and
- (4) Any public adjuster engaged on the claimant's behalf.

These duties under **2.b.** apply regardless of whether a claimant seeking benefits under the policy, or their agent or representative, retains or is assisted by a party who provides legal advice, insurance advice or expert claim advice, regarding an insurance claim under this policy.

For purposes of this condition **2.b.**, a claimant does not include an "insured".

Items **b.(4)** and **b.(5)** under **3. Loss Settlement** are deleted and replaced by the following:

- (4) We will initially pay at least the actual cash value of the damage, less any applicable deductible. We will then pay any remaining amounts necessary to perform such repairs as the work is performed and the expenses are incurred and according to the provisions of **b.(1)** and **b.(2)** above. If a total loss occurs, we will pay the full replacement cost without reservation or holdback of any depreciation in value, subject to the policy limits.
- (5) You may disregard the replacement cost loss settlement provisions and notify us of a claim under this policy for loss or damage to buildings on an actual cash value basis. You may then notify us of your intent to file a claim within 180 days after loss for any additional liability according to the provisions of this Condition **3. Loss Settlement**.

Item **6. Appraisal** is deleted and replaced by the following:

6. Mediation or Appraisal.

- a. If you and we have a dispute relating to a material issue of fact, you or we can request a mediation of the loss according to the rules

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established by the Florida Department of Financial Services, unless the dispute is:

- (1) A dispute as to which we have a reasonable basis to suspect fraud, or
- (2) A dispute where, based upon agreed upon facts as to the cause of the loss, there is no coverage under the policy, or
- (3) A dispute where the difference in positions is less than \$500 or the difference between the loss settlements amount we offer and the loss settlement amount you request is less than \$500, either of which is notwithstanding of any applicable deductible, unless you and we both agree to mediate a claim involving a lesser amount than \$500.

Settlement of the loss in the course of 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 provide 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 fees for that rescheduled conference. However, if we fail to appear at the mediation conference, we will pay your actual cash expenses you incur in attending the conference that are supported by documentation and we will also pay the mediator's fee for the rescheduled conference.

- b.** If you, your agents, your representatives, including any public adjusters engaged on your behalf, or your assignees, and we fail to agree on the amount of the loss, including the amount to repair or replace each item of damaged covered property and the actual cash value or replacement cost of each item of damaged covered property, any party may request an appraisal of the loss in writing.

A request for appraisal must be in writing and include a description of each item of damaged covered property in dispute and the extent of the damage to each item of damaged covered property, amount to repair or replace each item of damaged covered property, the actual cash value and replacement cost of each item of damaged covered property, and a disclosure of any referral fees that are, in any way, associated with the claim.

The appraisal process shall consider all covered damages, including work performed by assignees, associated with the claim for

which a settlement has not been reached, regardless of whether invoices have been submitted or not.

To use the appraisal process, the following conditions must first be met:

- (1) If you, your agents, your representatives, including any public adjusters engaged on your behalf, or your assignees request appraisal in writing, we must agree to the appraisal in writing. If we request appraisal in writing, you, your agents, your representatives, including any public adjusters engaged on your behalf, or your assignees must agree to the appraisal in writing; and
- (2) The amount in dispute must be between \$500 and \$25,000 notwithstanding of any applicable deductible, unless both parties agree to appraisal of a claim involving a disputed amount of less than \$500 or more than \$25,000.

In the event that the above conditions are met, each party will choose a competent and impartial appraiser within 15 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 10 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, including a description of each item of damaged covered property in dispute and the extent of the damage to each item of damaged covered property, amount to repair or replace each item of damaged covered property, the actual cash value and replacement cost of each item of damaged covered property, and a disclosure of any referral fees that are, in any way, associated with the claim.

If the appraisers submit a written and itemized report of an agreement to us that includes a description of each item of damaged covered property in dispute and the extent of the damage to each item of damaged covered property, amount to repair or replace each item of damaged covered property, the actual cash value and replacement cost of each item of damaged covered property, and a disclosure of any referral fees that are, in any way, associated with the claim, the amount agreed upon will be the amount of the loss.

If the appraisers fail to agree, they will submit their itemized differences, including a description of each item of damaged covered property in dispute and the extent of the damage to each item of damaged covered property, amount to repair or replace each item of damaged covered property, the actual

cash value and replacement cost of each item of damaged covered property, and a disclosure of any referral fees that are, in any way, associated with the claim, to the umpire. A decision agreed to by any two will set the amount of the loss.

Within 45 days of the initial written request for appraisal, the appraisal process shall be concluded and an itemized appraisal award, including a description of each item of damaged covered property in dispute and the extent of the damage to each item of damaged covered property, amount to repair or replace each item of damaged covered property, the actual cash value and replacement cost of each item of damaged covered property, and a disclosure of any referral fees that are, in any way, associated with the claim, shall be executed and delivered to all parties.

If the appraisal is not concluded within 45 days of the initial written request for appraisal, either:

- (1) The appraisal process ceases and there is no appraisal award; or
- (2) The parties may agree in writing to extend the appraisal process for a specified period of time.

Each party will:

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

For purposes of this provision, a description of a set of items will satisfy the requirement to provide "a description of each item of damaged covered property", only if the total actual cash value of the set of items is \$100 or less.

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

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

Item **9. Our Option** is deleted and replaced by the following:

9. Our Option

At our option, in lieu of issuing any loss payment, if we choose to exercise our option:

- a. For losses settled on an actual cash value basis, we may repair or replace any part of the damaged property with material or property of like kind and quality.
- b. For losses under Coverage A – Dwelling, insured for Replacement Cost Loss

Settlement as outlined in Section I – Conditions, **3. Loss Settlement**, we may repair the damaged property with material of like kind and quality without deduction for depreciation.

- c. We will provide written notice to you no later than 30 days after our inspection of the loss.
- d. You must comply with the duties described in Section I – Conditions, paragraphs **2.h.** and **2.j.**
- e. You must provide access to the property and exercise any municipal, county or other governmental documentation or permits for repairs to be undertaken.
- f. You must execute all work authorization to allow contractors and related parties entry to the property.
- g. You must otherwise cooperate with repairs to the property.
- h. You are responsible for payment of the deductible stated in your declaration page.
- i. Our right to repair or replace, and our decision to do so, is a material part of this contract and under no circumstances relieves you or us of our mutual duties and obligations under this contract.

If we choose to exercise our option, you must cooperate with us and grant us, or our agents, reasonable access to the property in order for repairs to be made.

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

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

- a. 20 days after:
 - (1) We receive your proof of loss and reach written agreement with you; or
 - (2) Written executed mediation settlement with you according to the terms of the written mediation settlement; or
- b. 60 days after we receive your proof of loss and there is an entry of a final judgment, or in the case of an appeal from such judgment, within 60 days from and after the affirmance of the same by appellate court; or
- c. Within 90 days after we receive notice from you of an initial, reopened, or supplemental property insurance claim, we shall pay or deny such claim or a portion of the claim unless the failure to do so is caused by factors beyond our control which reasonably prevent such payment. However, failure to