

AMENDATORY ENDORSEMENT FLORIDA

1. Under Common Policy Conditions, Cancellation is deleted and replaced by the following:

Cancellation

- a. "You" may cancel this policy by:
- 1) returning the policy to "us"; or
 - 2) giving "us" written notice and stating at what date coverage is to stop.
- b. "We" may cancel this policy by delivering or mailing written notice to "you" at the address shown on the "declarations". "Our" notice will state the specific reason(s) for cancellation. Proof of delivery or mailing is sufficient proof of notice.
- c. If this policy has been in effect for 90 days or less, "we" may cancel for any reason.
- 1) However:
 - a) "We" may cancel this policy based on property insurance claims that are the result of an act of God only if "we" can show, by claims frequency or otherwise, that "you" have failed to take action reasonably necessary as requested by "us" to prevent further damage to "your" property.
 - b) "We" may cancel this policy based solely on a single property insurance claim that is the result of water damage only if "we" can demonstrate that "you" have failed to take action reasonably requested by "us" to prevent a future similar occurrence of damage to the insured property.
 - 2) If "we" cancel for nonpayment of premium, "we" will give "you" notice at least 10 days before the cancellation is to be effective.

- 3) Except as provided in 4) below, if "we" cancel for any reason other than nonpayment of premium, "we" will give "you" notice at least 20 days before the cancellation is to be effective.

However, "we" may cancel immediately if there has been:

- a) a material misstatement or misrepresentation; or
 - b) a failure to comply with the underwriting requirements that "we" have established.
- 4) If this policy is issued to cover a residential structure that has been damaged by a hurricane or windstorm that is the subject of:
- a) a declaration of emergency issued by the Governor; and
 - b) an order filed by the Commissioner of Insurance Regulation;

"we" may not cancel this policy until at least 90 days after the residential structure has been repaired. Such property will be deemed repaired when the work is substantially completed such that the structure is insurable by another authorized insurer writing policies in Florida.

However, "we" may cancel this policy prior to the completion of repairs as follows:

- a) upon 10 days' notice for nonpayment of premium; or
- b) upon 45 days' notice if:

- (1) there has been a material misstatement or fraud related to the claim;

- (2) "we" have determined that "you" have unreasonably caused a delay in the repair of the residential structure; or
 - (3) "we" have paid the policy "limits" applicable to the covered structure.
- d. If this policy has been in effect for more than 90 days, "we" may cancel based only on one or more of the following reasons:
- 1) a failure to pay premium when due;
 - 2) a material misstatement;
 - 3) a failure to comply, within 90 days after the date of effectuation of coverage, with underwriting requirements established by "us" before the date of effectuation of coverage;
 - 4) a substantial change in the risk covered;
 - 5) the cancellation is for all insureds for a given class of insureds;
 - 6) property insurance claims that are the result of an act of God, but only if "we" can show, by claims frequency or otherwise, that "you" have failed to take action reasonably necessary as requested by "us" to prevent further damage to "your" property; or
 - 7) one or more property insurance claims that are the result of water damage, but only if "we" can demonstrate that "you" have failed to take action reasonably requested by "us" to prevent a future similar occurrence of damage to the insured property.
- Notwithstanding 1) through 7) above, "we" may not cancel based on any reason prohibited by law. If this policy is issued to cover a residential structure or its contents, this includes but is not limited to credit information available in public records.
- e. If this policy has been in effect for more than 90 days and:
- 1) "we" cancel for nonpayment of premium, "we" will give "you" notice at least 10 days before the cancellation is to be effective;
 - 2) except as provided in 3) and f. below, "we" cancel for one or more of the reasons provided in d.2) through d.7) above, "we" will give "you" notice at least 45 days before the cancellation is to be effective; or
 - 3) this policy is issued to cover a residential structure or its contents, if "we" cancel for any reason other than nonpayment of premium, "we" will give "you" notice at least 120 days before the cancellation is to be effective.
- f. If this policy has been in effect for more than 90 days and is issued to cover a residential structure that has been damaged by a hurricane or windstorm that is the subject of:
- 1) a declaration of emergency issued by the Governor; and
 - 2) an order filed by the Commissioner of Insurance Regulation;
- "we" may not cancel this policy until at least 90 days after the residential structure has been repaired. Such property will be deemed repaired when the work is substantially completed such that the structure is insurable by another authorized insurer writing policies in Florida.
- However, "we" may cancel this policy prior to the completion of repairs as follows:
- 1) upon 10 days' notice for nonpayment of premium; or
 - 2) upon 45 days' notice if:
 - a) there has been a material misstatement or fraud related to the claim;
 - b) "we" have determined that "you" have unreasonably caused a delay in the repair of the residential structure; or

- c) "we" have paid the policy "limits" applicable to the covered structure.
- g. If this policy is:
- 1) issued to cover a residential structure or its contents; and
 - 2) "we" cancel for nonpayment of premium which results from failure of the mortgagee to pay the premium when due;

"we" will reinstate the policy retroactive to the date of cancellation if the premium is received not more than 90 days after the due date. By Florida law, the mortgagee is required to reimburse "you" for any penalty or fee imposed by "us" and paid by "you" for reinstating the policy.

- h. Notwithstanding c. through g. above, if this policy is issued to cover a residential structure or its contents, "we" may cancel by giving "you" notice at least 45 days before cancellation is effective if the Florida Office of Insurance Regulation finds that the cancellation of some or all of "our" policies covering residential structures or their contents is necessary to protect the best interests of the public or policyholders due to:
- 1) "our" financial condition;
 - 2) the lack of adequate reinsurance coverage for hurricane risk; or
 - 3) other relevant factors;

and the Florida Office of Insurance Regulation approves "our" plan for early cancellation of some or all of "our" policies.

- i. If "you" or "we" cancel this policy, "your" return premium, if any, will be refunded within 15 business days after the effective date of cancellation unless the final policy premium is determined by audit. If the final policy premium is determined by audit, an audit will be performed and premium refunded within 90 days from the date of cancellation. If an audit cannot be completed within that

time, "we" will accept audit information that "you" provide and refund any return premium within 10 business days after "we" receive the necessary audit information from "you". If "we" are unable to obtain audit information due to "your" lack of cooperation, the deposit premium will be considered fully earned. In all cases, if the return premium is \$5.00 or less, "we" will not provide a refund unless "you" expressly request it. Payment or tender of unearned premium is not a condition of cancellation.

2. Under Common Policy Conditions, the following condition is added:

Nonrenewal

- a. If "we" do not renew this policy, "we" will give "you" notice at the address shown on the "declarations". "Our" notice will state the specific reason(s) for nonrenewal. Proof of delivery or mailing is sufficient proof of notice.
- b. "We" may nonrenew this policy for any reason.

However:

- 1) "We" may nonrenew this policy based on property insurance claims that are the result of an act of God only if "we" can show, by claims frequency or otherwise, that "you" have failed to take action reasonably necessary as requested by "us" to prevent further damage to "your" property.
- 2) "We" may nonrenew this policy based solely on a single property insurance claim that is the result of water damage only if "we" can demonstrate that "you" have failed to take action reasonably requested by "us" to prevent a future similar occurrence of damage to the insured property.

- 3) "We" may nonrenew this policy based on the filing of claims for sinkhole loss only if:
- a) the total of such claim payments equals or exceeds the policy "limits" of coverage for the policy in effect on the date of loss, for property damage to the covered building(s), as set forth on the "declarations"; or
 - b) "you" have failed to repair the structure in accordance with the engineering recommendations made pursuant to Florida law upon which any payment or policy proceeds were based.
- 4) "We" may not nonrenew for any reason prohibited by law. If this policy is issued to cover a residential structure or its contents, this includes but is not limited to credit information available in public records.
- c. Except as provided in d. and e. below, if "we" do not renew this policy, "we" will give "you" notice at least 45 days before the nonrenewal is to be effective.
- d. Except as provided in e. below, if this policy is issued to cover a residential structure or its contents, "we" will give "you" notice at least 120 days before the nonrenewal is to be effective.
- However, if the Florida Office of Insurance Regulation finds that the nonrenewal of some or all of "our" policies covering residential structures or their contents is necessary to protect the best interests of the public or policyholders due to:
- 1) "our" financial condition;
 - 2) the lack of adequate reinsurance coverage for hurricane risk; or
 - 3) other relevant factors;
- and the Florida Office of Insurance Regulation approves "our" plan for early nonrenewal of some or all of "our" policies, "we" will give "you" notice at least 45 days before the nonrenewal is to be effective.
- e. If this policy is issued to cover a residential structure that has been damaged by a hurricane or windstorm that is the subject of:
- 1) a declaration of emergency issued by the Governor; and
 - 2) an order filed by the Commissioner of Insurance Regulation;
- "we" will give "you" notice at least 90 days before the nonrenewal is to be effective. The effective date of such nonrenewal will not be less than 90 days after the residential structure has been repaired. A damaged residential structure will be deemed repaired when the work is substantially completed such that the structure is insurable by another authorized insurer writing policies in Florida.
- However, "we" may nonrenew this policy prior to the completion of repairs as follows:
- 1) upon 10 days' notice for nonpayment of premium; or
 - 2) upon 45 days' notice if:
 - a) there has been a material misstatement or fraud related to the claim;
 - b) "we" have determined that "you" have unreasonably caused a delay in the repair of the residential structure; or
 - c) "we" have paid the policy "limits" applicable to the covered structure.
3. Under Common Policy Conditions, the following condition is added:
- Renewal** -- If "we" decide to renew this policy, "we" will give "you" written notice of the renewal premium at least 45 days prior to the renewal date.

4. Under Common Policy Conditions, Inspections is deleted and replaced by the following:

Inspections -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report is not an agreement that "your" property or operations are:

- a. safe;
- b. healthful; or
- c. in compliance with laws, rules, or regulations.

Inspections or reports are for "our" benefit only.

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