



HOMEOWNERS' INSURANCE

a toolkit for consumers



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Florida residents know firsthand that it pays to plan ahead. Dealing with wildfires, floods, tornadoes, hurricanes, sinkholes and other disasters can drastically change our lives. Individual losses such as a home burglary, a kitchen fire, or a lightning strike can also disrupt our daily lives. Homeowners' insurance helps pay to repair or rebuild your home and replace personal property that is damaged or destroyed due to a covered loss.

This toolkit provides information to assist you with insuring your home. It also contains tools to help you if you have a covered loss that involves what is likely your largest investment - your home.

INSURING YOUR HOME



Florida law does not require the purchase of homeowners' insurance, but most people want to insure the largest investment they may ever make – their home. In addition, if you own certain pets or a swimming pool, some cities and counties may require liability coverage, which pays for covered injuries to others, or damage to their property, for which you are legally responsible.

For mortgaged homes, most lending institutions require insurance coverage on the home, including flood (if located in a special flood zone), to protect the collateral securing the loan.

There are a number of different types of residential property policies from which to choose. The type of policy you purchase depends upon whether you own a single-family home or townhouse, a condominium, a mobile home, or a rental property. If you rent your home from someone else, there is a type of homeowners' policy that protects your personal property, provides additional living expense, and affords personal liability protection. Each policy type provides coverage against specified perils or events that cause damage to property under certain conditions.

Normally, a homeowners' insurance policy provides coverage for the following:

- Coverage A: Structure (the dwelling itself)
- Coverage B: Other structures (like sheds and fences)
- Coverage C: Personal property (the contents of the structures)
- Coverage D: Loss of use (also called Additional Living Expense or ALE)
- Coverage L: Personal Liability
- Coverage M: Medical Payments to Others

The first four coverages listed are considered “property” coverages and are located under Section I of your policy. Personal Liability and Medical Payments to Others are considered “liability” coverages and are located under Section II of your policy.



Property

Property coverage helps pay for damage to your home, the contents of your home, and other personal belongings owned by you or family members who live with you when caused by covered perils under certain conditions. In some cases, it helps pay for damage to other structures, such as tool sheds, detached garages, small boats, guest houses and their contents. Your insurance agent or company can assist you in tailoring your policy to provide the coverage you need.

Most policies limit coverage of some types of personal property, such as cash, antiques, firearms, jewelry, furs and electronics. You may be able to add additional coverage for these items with an endorsement to your insurance policy, however this supplemental coverage requires additional premium.

Your homeowners' insurance policy may also cover your dependent children's belongings while they attend college, whether they live on or off campus. Check with your agent or company representative concerning coverage for children living away from home. You may need a separate policy.

Additional Living Expense (ALE)

Homeowners' policies provide Additional Living Expense coverage that will pay some extra expenses if damage to your home prevents you from living there while it is uninhabitable or being repaired. Most policies also provide this coverage when a civil authority (law enforcement agency, emergency management service, etc.) prohibits the use of a residence or access to a residence due to direct physical damage to neighboring homes caused by a covered peril.

Items typically covered by ALE include extra costs for food, alternative housing, relocation and storage of undamaged personal property, utility installation and furniture rental for a temporary residence. Be sure to check your policy to find out what is specifically covered or excluded. This coverage applies only to the additional amounts, over and above the amount of your normal monthly expenses. For example, it would apply to the cost of restaurant meals, minus your "normal" food expenses. ALE typically does not cover your

mortgage, standard household supplies, or utilities at your damaged home. These are not expenses representing costs that are over and above your normal expenses.

Your policy may designate a specified limit of coverage for additional living expenses, but your policy does not obligate your company to pay this amount up front or in full if you suffer a total or partial loss. For this reason, you must keep receipts for additional living expenses and submit these to your insurance company for reimbursement. Policies generally offer ALE coverage without any deductible. Flood insurance policies issued through the National Flood Insurance Program do not provide this coverage. If flood is covered under your homeowners' insurance policy (which is relatively rare) or if you have a separate flood policy issued by the voluntary market, check your policy or talk to your agent to determine whether it provides ALE coverage.



Personal Liability

This coverage protects you against a claim or lawsuit resulting from bodily injury or property damage to others, not resulting from an automobile accident, of which you are legally liable. For example, if a neighbor slips and falls in your house and sues you, and a jury finds you legally liable, this coverage would pay that claim, up to the policy limit, plus legal fees. This coverage applies to you and all family members who live with you. It does not cover intentional damage or harm caused by you or family members who live with you. Check your policy for exclusions and discuss them with your agent.

Medical Payments

This coverage pays for medical expenses, up to the medical payment limit, of persons accidentally injured at your home, regardless of fault. It does not apply to injury to you, injury to anyone living with you, or to activities involving an at-home business.

Inflation Guard

Inflation can increase the replacement cost of your home and its contents over time. An inflation guard endorsement gradually increases your dwelling's coverage limit annually to assist you in keeping your home insured at its true replacement cost. However, it is your responsibility to make sure you have the amount of coverage you need. If you believe that any of your coverage limits may be too high or too low, contact your agent to reevaluate those limits.



How Much Insurance Should You Buy?

Do not rely on the purchase price of the home, the amount of the mortgage, or the taxable value set by your County's property tax appraiser to determine your homeowners' insurance coverage limit. In order to be adequately covered, your home must be insured for the amount necessary to rebuild the home at today's current building material prices and labor costs. In addition, depending upon the age of your home, you may also need coverage to pay those amounts required to comply with current building codes when making repairs. Currently, many counties within the state stipulate that if damage to a structure exceeds 50% of its current value, it is considered a constructive total loss. Some jurisdictions prohibit the repair of a constructive total loss, mandating that the building be razed and totally rebuilt to current code (including elevation).

Also, if your home is underinsured at the time of loss, there may be a penalty or reduction in the amount the insurance company will pay for the loss. Ask your agent about limits and exclusions.



Insurance Packages

Here are some explanations of the different types of homeowners' insurance policies available to Florida homeowners, condominium-unit owners and mobile homeowners. The homeowners' policy is a package policy. While it may be modified, general coverage for the main dwelling structure, unattached structures, personal property, liability, and medical payments are normally included.

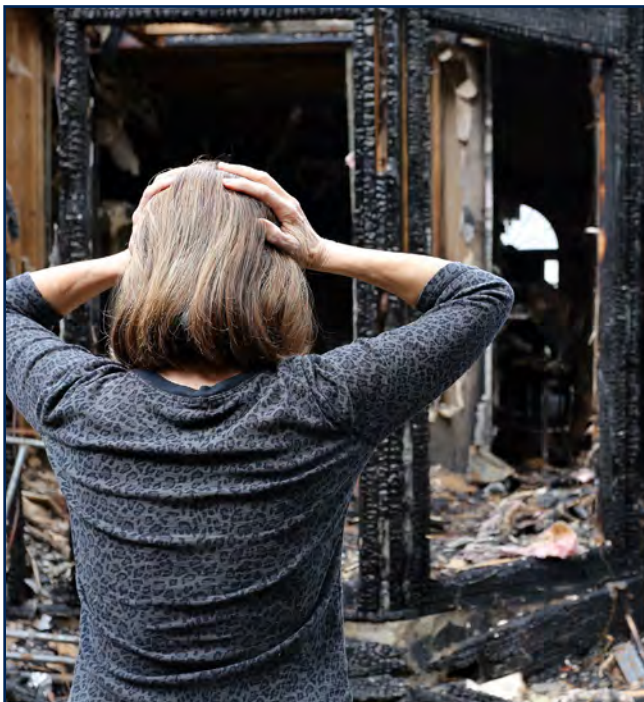
Florida Law requires insurers to provide policyholders with the option to exclude coverage for personal property and windstorm, if the policyholder personally writes a statement that he/she does not want such coverage.

Specific coverage under homeowners' insurance policies will vary from company to company. It is important to review your insurance needs with your agent or company representative. It is also very important that you read your policy and understand the coverage you have. The time to learn what your homeowners' policy covers, or more importantly what it doesn't cover, is not when you have a claim.

Special Form (HO-3) is the most popular and most comprehensive homeowners' form of the three forms mentioned above. It covers the home for all causes of loss not specifically excluded. So, it's very important to read the exclusions. All homeowners' policies provide liability coverage.

HOMEOWNERS' INSURANCE

The three packages offered most frequently to owner-occupied, single-family homeowners' include Broad Form HO-2, Special Form HO-3, and Modified Coverage Form HO-8. These policies insure your home and personal property against a number of perils (examples listed are not inclusive).



Perils may include:

- Fire or lightning
- Windstorm or hail
- Explosion
- Riot or civil commotion
- Aircraft
- Vehicles
- Smoke
- Vandalism or malicious mischief
- Theft
- Volcanic eruption
- Falling objects
- Weight of ice, snow or sleet
- Freezing
- Accidental discharge or overflow of water or steam
- Sudden and accidental tearing apart, cracking, burning or bulging
- Sudden and accidental damage from artificially generated electrical current



CONDOMINIUM INSURANCE

Condominium Unit-Owners' Form (HO-6) covers your personal property and certain building items not insured by the association's policy. It also includes personal liability coverage.

Generally speaking, the HO-6 policy covers those structural features located within the four exterior walls of the unit. Florida law prohibits a condominium association's master policy from covering certain items, specifically:

- all personal property within the unit or limited common elements;
- floor, wall, and ceiling coverings;
- electrical fixtures;
- appliances, water heaters, water filters;
- built-in cabinets and countertops;
- window treatments, including curtains, drapes, blinds, hardware, and similar window treatment components;
- replacements of any of the foregoing which are located within the boundaries of the unit and serve only such unit.

Be sure you are thoroughly familiar with your condominium association's by-laws and master insurance policy, in order to know precisely what the association is responsible for. If you have difficulty obtaining copies of these documents, call the Florida Department of Business and Professional Regulation, Division of Florida, Condominiums, Timeshares and Mobile Homes, at (850) 488-1122.

Unit-owners should ensure that when interior additions or upgrades are completed, the policy's coverage limits reflect those changes. If an item is covered by both the association's and unit owner's policy, the association's policy should pay first. This can affect the amount of coverage you need for the building under your policy, so it is important to review your existing policy with your agent to make sure you are adequately covered.

Condo associations may assess individual unit-owners for damage to the commonly owned areas that are either not covered by the association's policy, or of which the association lacks the reserves to pay. Your HO-6 unit-owners' policy must provide at least \$2,000 of "loss assessment" coverage. The deductible for a Loss Assessment claim may not exceed \$250. However, the peril (cause of loss) to which the assessment is attributable, must be one that is covered by your HO-6 policy. For example, if your Condominium Unit Owners' policy excludes the peril of flood, and the condominium's seawall was damaged by rising water or the action of waves, your HO-6 policy will not provide coverage for an assessment to repair that damage.





MOBILE HOME INSURANCE

Mobile home policies may not provide coverage as broad as a homeowners' policy. You should review your individual policy to determine what is covered and what is excluded. There are three settlement options available on a mobile home policy. All three are subject to the limits shown on your policy. You should review your individual policy to determine your options.

A **stated amount policy** specifies that you will recover the policy's face amount in the event of a total loss, based upon the agreement made in your application. Insurance companies usually offer this type of policy for newer-model homes.

An **actual cash value policy** will pay the amount needed to repair a home after depreciation is subtracted. Depreciation is determined based on the expected usable life of a particular item or structural component. For example, the roof of a

mobile home is expected or rated to last 15 years. Ten years following its installation, it is torn from the mobile home by a tornado. The cost to replace the roof is \$15,000. Since two-thirds of the roof's rated useful life expectancy has expired, the insurance company will only pay \$5,000 for the one-third of useful life that remains.

A **replacement cost policy** will pay for the replacement of a damaged or destroyed home without deducting for depreciation.

HOME RENTAL OR DWELLING INSURANCE

If you rent your home to others, insurance companies offer "landlord" coverage in the form of a "Dwelling" policy. There are two common forms of Dwelling policies, DP-1 and DP-3. The DP-1 is a very basic policy providing coverage for a minimal number of perils. The DP-3 provides coverage somewhat comparable to a HO-3 policy, however there are differences. If you rent a room or a portion of your home, ask your agent what coverage you may need.





Other Factors to Consider

When analyzing needed coverage, these are some other factors to consider:

COVERAGE AVAILABILITY WHEN STORMS THREATEN

You cannot obtain new or additional coverage when a tropical storm or hurricane watch or warning has been issued for any area within the state of Florida. Don't wait until the last minute to purchase your policy, especially during hurricane season (June 1 through November 30), when several storms can form simultaneously.



BUILDING MATERIALS

The building materials used in the construction of your home will affect the cost to insure it. For example, it's more expensive to insure a frame house than one made of brick or masonry. If you are building a new home, using stronger construction materials and construction techniques can save you money on insurance premiums. Talk with your agent to see what discounts and/or reduced premiums are available to you.



HOME WARRANTY PLANS

Homeowners' insurance can protect your home from losses due to fire, theft, and other perils. A home warranty plan offers a service contract that can pay for unexpected repairs to the home's plumbing, electrical system, appliances, etc., during the warranty period. However, these plans often contain many coverage exclusions, benefit limitations and other performance stipulations. As with any insurance policy, it is important to read and understand the policy's contractual terms and conditions.





Options If You Can't Locate Coverage

The following options may be available if you are having difficulty locating insurance for your home.

FLORIDA MARKET ASSISTANCE PLAN (FMAP)

The Florida Market Assistance Plan (FMAP) was created by the Florida legislature in 1985 as a service organization designed to assist consumers in obtaining property and casualty insurance coverage from authorized insurers in the private market.

FMAP's online services utilize a computer database that stores information on consumers seeking insurance coverage for their property located in Florida. The FMAP application matches those seeking insurance coverage with participating licensed Florida agents that may be able to write the requested insurance policy. The matching agent(s) or insurer(s) then call the interested party seeking coverage to determine eligibility and provide an offer where applicable. Their website is www.fmap.org and their toll-free telephone number is 1-800-524-9023.

CITIZENS PROPERTY INSURANCE CORPORATION

You may be eligible for coverage with Citizens Property Insurance Corporation (Citizens) if you can't locate coverage in the voluntary market. Policies with Citizens are sold by local insurance agents. For more details on Citizens, please visit www.citizensfla.com.



SURPLUS LINES COMPANIES

“Admitted” or “Authorized” insurance companies are issued a Certificate of Authority from the [Florida Office of Insurance Regulation](#) (OIR) and reject risks that do not meet their underwriting requirements. Underwriting criteria include the age of the home, the home’s construction type, the age of the roof, the material used in the home’s plumbing or electrical wiring, the brand of electrical panel, and the age and type of heating or air conditioning, to name a few. The location of the home may also be an underwriting concern, especially if it is located near the coast, or on a barrier island. Other factors such as ownership of certain dog breeds, the presence of a trampoline, or unprotected elevated areas have the potential to rule out coverage from many Admitted carriers.

Surplus Lines insurers help to fill the need for insurance coverage in certain underserved lines of insurance, as well as for consumers who can’t obtain coverage from Admitted companies. Before placing coverage with a surplus lines insurer, your agent must apply to, and receive rejections from, at least three Admitted companies.

A Surplus Lines carrier is exempt from the requirement to file its forms and rates with the OIR. In other words, the rates of Surplus Lines companies are unregulated, allowing the insurers to respond to the unmet coverage needs of customers. A Surplus Lines carrier is not covered by the [Florida Insurance Guaranty Association](#) (FIGA). In the event it becomes insolvent or goes out of business, if you have an unpaid claim or are due a refund of premium, it may take years to receive payment, if you receive any payment at all. A Surplus Lines policy must have stamped or written on its first page the following statement:

“This insurance is issued pursuant to the Florida Surplus Lines law. Persons insured by Surplus Lines carriers do not have the protection of the Florida Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent unlicensed insurer.”

Thoroughly read any Surplus Lines policy. Again, the OIR does not regulate the rates these companies charge, nor the forms they use. These policies often do not provide the same coverage or deductibles offered by the policies issued by Admitted insurance companies.





Your Lending Institution and Claims

Most lenders providing mortgages require you to purchase property insurance to protect their financial interest in the property. The mortgage holder has an interest in the dwelling and perhaps the unattached structures on the property. Therefore, the insurance company will include the mortgagee as a payee on those claim payments attributable to Coverages A and B (Dwelling, Other Structures). The mortgagee has no financial interest in the personal property, additional living expense or liability portions of the policy, so payments attributable to those coverages are issued solely to the policyholder.

The lender will inform you of its stipulations to obtain the money for repairs. In some instances, the lender will provide money up front for you to begin the repairs and as they are completed, you will show the lender proof of the repairs and they will continue to advance money. In other instances, the lender may allow you to provide a signed contract for the repairs and they may pay the contractor directly as repairs are made. When repairs are completed, lenders can't keep remaining settlement proceeds to cover the balance of your loan, unless your payments are in arrears.

If you feel your financial institution is withholding funds that are rightfully yours, call the [Florida Office of Financial Regulation](#) (OFR) at 1-850-487-9687.



FORCE-PLACED HOMEOWNERS' INSURANCE

If you fail to obtain or maintain homeowners' insurance, your lender may purchase it for you, since loan contracts usually require it. This is called "force-placed" insurance.

WARNING: The premium for force-placed coverage may be more expensive than coverage you can obtain yourself. In addition, the force-placed policy only covers the structure, not your personal property, personal liability, or additional living expenses. The policy may not even cover the full replacement cost of the dwelling, but only the loan's outstanding balance. Also, the named insured on the force-placed policy is the lender, not you; therefore, you may not have any rights to the policy even though you were billed for the premium.

PRIVATE MORTGAGE INSURANCE

Most homeowners know this type of coverage by its initials, PMI. This insurance helps protect lenders from default by borrowers. The mortgage company may require this type of insurance if your down payment is less than 20 percent of the property's value. This insurance allows you to qualify for a larger mortgage than is otherwise available with a small down payment.

CREDIT LIFE INSURANCE

This type of insurance may pay off your home in the event of your death. The premium for this insurance will vary depending on the face amount of coverage, the term of the loan and the age of the insured. Certain health related questions may also be asked on the application. Coverage is not guaranteed.

You may obtain this coverage for both spouses under one contract on a first-to-die basis. This means that the surviving spouse becomes the beneficiary. As with all insurance policies, it is a good idea to do research in order to choose the credit life insurance policy that is right for you.



What About Building a New Home?

If you plan to build your own home or hire a contractor to build one for you, a Builder's Risk policy may be what you need while the home is under construction. Coverage under a typical builder's risk policy covers the home from the start of construction and continues until a stated time found in the policy after construction is completed.

Builder's risk policies cover items such as the home under construction, building materials, machinery, equipment, permanent fixtures, debris removal, pollutant cleanup, floor plans, blueprints, valuable records or papers, landscaping, etc. This coverage can help ensure that you or your contractor can obtain funds to repair or rebuild in case of loss. In addition, liability coverage may be purchased to cover your liability exposure in connection with the construction.

Before you start a home-construction project, find out whether you or your contractor should purchase a builder's risk policy. Individuals hiring a contractor to build a home can require them to obtain a builder's risk policy as part of the construction contract.

Also, some homeowners' policies are used to cover a home under construction. You should contact your insurance agent or insurer for more information.



Policy Termination

Admitted insurance companies can take up to 90-days to decide whether you meet their underwriting guidelines. Within this 90-day period, a company must give you a 20-day notice if it intends to cancel the policy, except for nonpayment of premium, which requires a 10-day notice.

After 90-days, your company may cancel your policy if:

- You don't pay your premium;
- You provided false information on your application;
- You fail to comply with the company's underwriting requirements; or
- You increased your risks through new activities or home improvements.

NOTES



For reasons other than nonpayment of premium, the company must provide a 120-day notice before it may cancel your policy.

Companies may non-renew your policy, with certain limitations, with proper notice. The nonrenewal notice must be provided at least 120-days in advance. The insurer must provide the specific reason that it is non-renewing the policy.

You may cancel your policy at any time by providing a written request. You should receive a refund of any unearned premium. However, if you cancel an insurance policy early, the company may retain 10% of the unearned premium amount. If you are changing insurance policies or companies, make sure you do not have a break in coverage between the two policies. This could result in your mortgage company adding the cost of a force-placed policy to your mortgage.

KNOW WHAT YOUR POLICY COVERS



Special Limits on Certain Personal Property

Homeowners' insurance policies usually have special limits of coverage on personal items such as cash, jewelry, silverware, guns, antiques, boats and other items. If you need additional coverage for these items, talk to your insurance agent. In most cases, additional coverage can be obtained by paying an additional premium.



Replacement Cost Versus Actual Cash Value

There are two settlement options available when purchasing insurance on your home. You can elect to insure your home and personal property for Actual Cash Value or Replacement Cost.

REPLACEMENT COST

Replacement Cost is the amount needed to repair or replace your damaged property with materials of similar kind and quality, without deducting for depreciation (the decrease in the value of your home or personal property due to normal wear and tear).

ACTUAL CASH VALUE

Actual Cash Value is the amount needed to repair or replace an item, less depreciation. For example, your insurance company would deduct for the age and condition of a 17-year-old roof with a 20-year life expectancy. In this scenario, you have used 17 out of 20 years expectancy. You would be paid for the remaining three years value.

Here is how both settlement options work in practice. Let's say in 2015, you purchased a new refrigerator, with a life expectancy of 10 years, for \$1,000. It was destroyed by a fire in 2018. If the settlement option available on your insurance policy is Actual Cash Value, your insurer will pay an amount that reflects the current value of the 2015 refrigerator. You have used three years of the 10 year expectancy, and would receive the value for the remaining seven years, approximately \$700. A policy that settles claims based on the Actual Cash Value will consider depreciation. A Replacement Cost policy would cover the cost to replace the refrigerator with a new one of the same kind and quality, even if it's more than what you paid in 2015.

Your agent must offer you Replacement Cost coverage on your dwelling. In order to receive the replacement cost benefit, most homeowners' insurance policies require the policyholder to insure their home for at least 80% of its replacement value.

If your home is covered by a Replacement Cost policy that requires you to have it insured for at least 80% of its replacement cost, and you do not insure the correct amount, you may become a co-insurer for any partial loss claim.



For instance, if you insure the home for \$100,000 and the true replacement cost is \$200,000, you should have insured the home for at least \$160,000. If you have a loss of \$25,000.00, the company would pay only \$15,625, less your deductible, on the claim. The formula used by the insurer to determine the amount they owe in this example is the amount of insurance carried divided by the amount of insurance required, times the amount of loss, equals the amount payable by the insurance company ($\$100,000$ divided by $\$160,000$ times $\$25,000 = \$15,625$ and then subtract the deductible.)



Windstorm Coverage

Virtually all homeowners' insurance policies are required to cover damage caused by windstorms, hurricanes and hail, unless you sign a hand-written statement requesting to waive the coverage. If your home is located in the Wind-Pool Area, it is likely that Windstorm Coverage is excluded on your regular homeowners' policy and you must purchase a separate windstorm policy if you want the coverage. Most lenders require you to carry Windstorm Coverage if you have a mortgage.

Flood Insurance

Most homeowners' policies exclude flood damage (rising water). Flood insurance is available through the National Flood Insurance Program (NFIP) or through private insurers. If your home is located in a special flood hazard area, an elevation certificate will need to be submitted with your application. Private insurance companies have entered the flood insurance market over the past several years. In some instances, you may be able to purchase flood insurance through the same insurance company that provides your homeowners' coverage. Flood policies issued by private insurers must provide at least the coverage included in policies issued by the NFIP. For general inquiries about the National Flood Insurance Program, call 877-336-2627, or contact your insurance agent.

Flood insurance is available for your home and personal property. Normally, there is a 30-day waiting period before a flood insurance policy becomes effective with the National Flood Insurance Program, unless the policy is purchased at the same time you purchase or refinance your home. Flood Insurance can be obtained from your local agent.





Sinkholes and Catastrophic Ground Cover Collapse

Insurance companies are not required to automatically include sinkhole coverage on homeowners' insurance policies. In some cases, sinkhole coverage may be offered, but the insurance company has a right to inspect the premises for possible sinkhole activity and decline coverage if it's found. In other cases, the company may decline sinkhole coverage if your home is within a certain distance of confirmed sinkhole activity. In order for sinkhole coverage to be used, "structural damage" must be present. The term "structural damage" is defined in Florida law, however in short, the integrity of the structural members of the dwelling must be in danger of immanent collapse.

Insurance companies must include "catastrophic ground cover collapse" (CGCC). CGCC is defined as geological activity that results in all of the following:

- The abrupt collapse of the ground cover;
- A depression in the ground cover clearly visible to the naked eye;
- Structural damage to the building, including the foundation; and
- The insured structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.

Insurers may also restrict sinkhole and catastrophic ground cover collapse coverage to the principal building, as defined in the applicable policy.

Surplus Lines insurers are not required to offer sinkhole coverage, but many do. Ask your agent for details.



Ordinance or Law Exclusion

If a local building ordinance or law has changed which increases the cost to repair or replace your home, the insurance company does not pay that extra amount, unless your policy includes ordinance or law coverage.

This is how it works: Let's say your home was built in 1982. Let's further say the home was damaged over 50% during a hurricane in 2015. At the time of the hurricane, the building code required you to rebuild the entire structure to comply with current building codes if the cost to repair the damage was 50% or more of the value of the home. Ordinance or Law coverage could help demolish the undamaged portion and rebuild the home to comply with the current building code. Complying with current building codes may require changes in design and/or building materials which could result in you paying more to repair or rebuild your home. In the example above, if you didn't have this valuable coverage, the insurance company would not pay for the demolition of the undamaged portion of the structure or the increased cost to comply with the current building code.

Admitted carriers must include an Ordinance or Law coverage limit of at least 25% of the amount of the dwelling coverage (Coverage A). Also, they must allow you to select 50% of the dwelling coverage for an additional premium. Some insurance companies will allow you to reject this coverage by signing a waiver.

Mold

Typically, mold that results from a covered peril is covered under your homeowners' policy, although the amount can be limited. An example of a covered peril would be a sudden and accidental discharge of water from a burst pipe.

Most insurers limit the amount of mold-related coverage (such as testing and mitigation) it will provide. The most common limit we see is \$10,000. In some cases, an insured can purchase higher limits of mold coverage for an additional premium. Other insurance companies exclude coverage for mold-related claims altogether.





Sample Declarations Page - Where to locate policy information

SAFE ALL INSURANCE COMPANY HOMEOWNERS POLICY DECLARATIONS

Name of insurance company and agency with contact information

SAFE ALL INS CO
P.O. Box 1075
Thiston, FL 12345-6789
(123) 456-7891

AGENT: TONY PRIZE, #194722
2047 Octavia Way
Tiptree, FL 10112-1312
(123) 456-7891

Insured name and mailing address

INSURED NAME AND ADDRESS:
Estelle Clarion & James Delany
596 Crossover Way
Clay, FL 17189-2021

MORTGAGE INFORMATION:
Apollo Savings Mortgage Co
P.O. Box 120140, Dept. 12
Leto, TX, 22231

Mortgage information

Policy number, form and effective date

POLICY NO. FHO295000 **POLICY FORM:** HO-3 **POLICY EFFECTIVE DATE:** 3/28/20 to 3/28/2021

Premium amount due

TOTAL ANNUAL POLICY PREMIUM:	\$854.00
HURRICANE PORTION OF PREMIUM:	\$297.00
NON-HURRICANE PORTION OF PREMIUM:	\$505.00

Coverage is provided where a premium or limit of liability is shown for the coverage.

Premium summary (Section I)

SECTION I – PROPERTY COVERAGES

	LIMIT OF LIABILITY	PREMIUM
Coverage A - Dwelling	\$160,000	\$859.00
Coverage B - Other Structures	\$3,200	Included
Coverage C - Personal Property	\$104,250	Included
Coverage D - Loss of Use	\$20,850	Included
Ordinance or Law: 25% of Coverage A	\$40,000	-57.00

Deductible (amount policyholder must pay per claim)

SECTION I- DEDUCTIBLES: In case of a property loss, we only cover that part of loss over the deductible(s) stated:

All Other Perils (other than Hurricane):

\$1,000

HURRICANE: 2% OF Coverage A

\$3,200

Hurricane deductible

Sinkhole:

Not Included

Premium summary (Section II)

SECTION II- LIABILITY COVERAGES

Coverage E - Personal Liability	\$100,000	Included
Coverage F - Medical Payments	\$1,000	Included

Optional coverages

OPTIONAL COVERAGES:

Water Backup and Sump Overflow	\$5,000	\$25.00
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DISCOUNTS AND SURCHARGES

Proof of Updates - Roof Only		
Windstorm Loss Mitigation		
Total discounts and/or surcharges applied:		-2,083.00

Discounts, surcharges, policy fees, forms and endorsements

POLICY FEES:

Managing General Agency (MGA) Fee	\$25.00
Emergency Management Preparedness and Assistance Surcharge	\$2.00

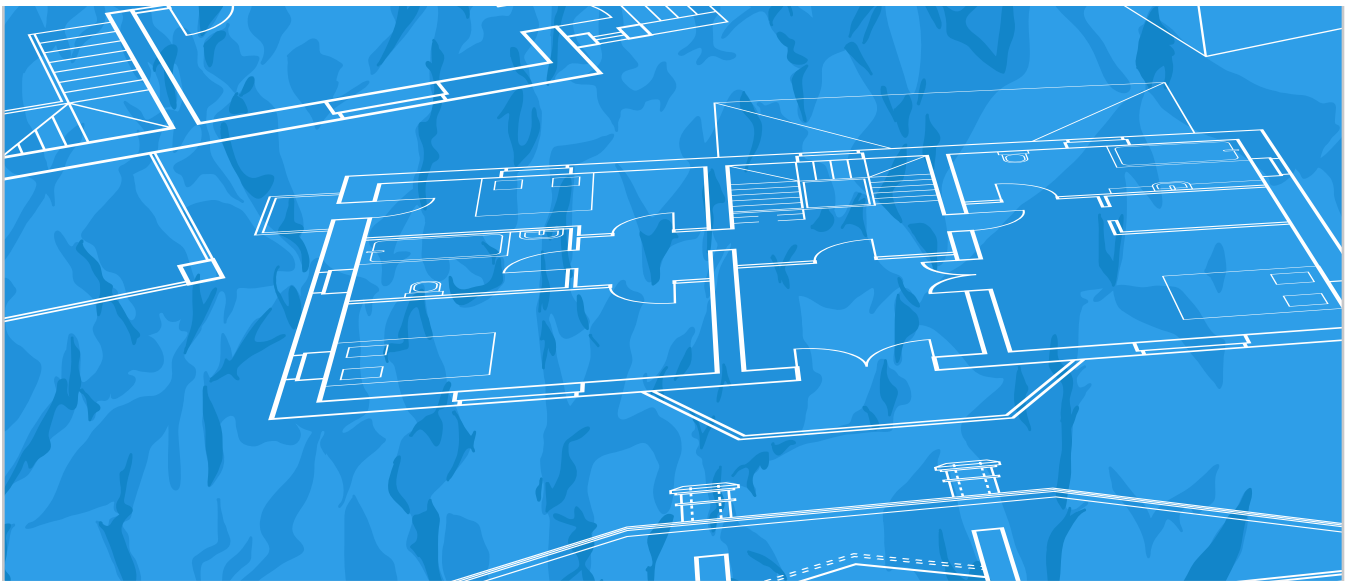
FORMS AND ENDORSEMENTS

Homeowners 3 Special Form (HO-3)	SAIC HO3 11 16
Limited Water Damage Coverage	SAIC WBU 11 14
Water Backup and Sump Overflow Coverage	SAIC WBU 05 17

Rating information

RATING INFORMATION Construction Type: Masonry Year Built: 1971 Dwelling Type: Single Family

PROPERTY INVENTORY and CLAIM PROCESS



We recommend completing a room-by-room inventory so if you have a claim, you will be able to provide complete and accurate information to the insurance company so it can process your claim quickly. The more detailed documentation you can supply during the claims process, the fewer problems and delays you will experience.

The following inventory includes the main rooms of a home, but don't forget other areas such as your closets, basement, attic, garage, porch, patio, workroom or sheds. In addition to completing an inventory, take photos of your personal property. Pictures add details about your inventory that written documents can't. Also, include serial numbers if they are available.

Once the inventory is complete, estimate the replacement cost of your property using current prices and compare that amount to your personal property coverage limit. If you feel your coverage should be increased, contact your agent. Also, review your inventory list for items that may be underinsured due to the limitations on certain types of personal property (discussed earlier). Since insurance policies differ, you should check your own insurance policy for the list of personal property subject to limitations. If you determine you need additional coverage for any of these items, contact your insurance agent.

It's very important to update your inventory at least once a year.

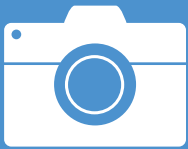


Personal Asset Inventory

The following room-to-room inventories include:

<input type="checkbox"/> LIVING ROOM	<input type="checkbox"/> KITCHEN	<input type="checkbox"/> BEDROOMS	<input type="checkbox"/> OTHER
<input type="checkbox"/> DINING ROOM	<input type="checkbox"/> FAMILY ROOM	<input type="checkbox"/> BATHROOMS	<input type="checkbox"/> _____

Disclaimer: This toolkit may not provide a complete list of items in your inventory. You should add pages as needed to complete your own personal inventory.



TIP: If possible, take photographs or video recordings of your property and store all records in a safe, dry place.

TIP: When dealing with an insurance claim, never give original documents to anyone. Always provide copies and keep the original documents.

FINANCIAL ACCOUNT INFORMATION

Name of Institution: _____

Address: _____

Phone Number: _____

Account Number: _____

Website: _____

If your home is mortgaged, any insurance claim settlement payment attributable to repair of the dwelling will be made out to you and the mortgage holder. You will need to keep the mortgage holder informed of the process and arrange a schedule of release of funds for repairs.

MORTGAGE INFORMATION

Name of Institution: _____

Address: _____

Phone Number: _____

Account Number: _____

Website: _____



LIVING ROOM INVENTORY					
ITEM	QTY	PURCHASE DATE	PURCHASE PRICE	BRAND NAME	MODEL/SERIAL #
FURNITURE					
Sofas/chairs					
Mirrors					
Lamps					
Rugs/carpet					
Tables					
Curtains/draperies					
Entertainment center					
Bookcases/books					
Other					
ARTS & CRAFTS					
Pictures/Paintings					
Sculptures/Pottery					
Other					
ELECTRONICS					
Television					
Stereo					
VCR/DVD					
CDs					
Telephones					
Computer					
Clocks					
Other					
MISCELLANEOUS					
Air Conditioner					
Cabinets					
Fireplace Fixtures					
Blinds					
Other					
ADDITIONAL NOTES:					



DINING ROOM INVENTORY					
ITEM	QTY	PURCHASE DATE	PURCHASE PRICE	BRAND NAME	MODEL/SERIAL #
FURNITURE					
Tables					
Chairs					
Cabinets					
Curtains/Draperies					
Chandeliers/Lamps					
Mirrors					
Rugs/Carpet					
Other					
ARTS & CRAFTS					
Pictures/Paintings					
Sculptures/Pottery					
Other					
ELECTRONICS					
Telephones					
Clocks					
Other					
MISCELLANEOUS					
China/Crystal					
Glassware					
Table Linens					
Blinds					
Other					
ADDITIONAL NOTES:					



KITCHEN INVENTORY					
ITEM	QTY	PURCHASE DATE	PURCHASE PRICE	BRAND NAME	MODEL/SERIAL #
FURNITURE					
Floor Mats					
Cabinets					
Curtains/Draperies					
Tables					
Chairs					
Other					
MAJOR APPLIANCES					
Freezer					
Refrigerator					
Oven					
Microwave					
Other					
UTENSILS					
Pots/Pans					
Silverware					
Glasses					
Plates/Dishes					
Cooking Utensils					
Other					
MISCELLANEOUS					
Blender					
Toaster					
Can Opener					
Coffee Maker					
Pictures/Paintings					
Blinds					
Cabinets					
Other					
ADDITIONAL NOTES:					



FAMILY ROOM (DEN) INVENTORY					
ITEM	QTY	PURCHASE DATE	PURCHASE PRICE	BRAND NAME	MODEL/SERIAL #
FURNITURE					
Tables					
Sofa/Chairs					
Rugs/Carpet					
Entertainment Center					
Game Table					
Bookcases/Books					
Desks					
Mirrors					
Other					
ARTS & CRAFTS					
Pictures/Paintings					
Sculpture/Pottery					
Other					
ELECTRONICS					
Television					
VCR/DVD					
Stereo					
CDs					
Computer					
Video Game System					
Clocks					
Other					
MISCELLANEOUS					
Blender					
Toaster					
Can Opener					
Coffee Maker					
Pictures/Paintings					
Blinds					
Cabinets					
Other					
ADDITIONAL NOTES:					



BEDROOMS INVENTORY					
ITEM	QTY	PURCHASE DATE	PURCHASE PRICE	BRAND NAME	MODEL/SERIAL #
FURNITURE					
Beds					
Nightstands					
Lamps					
Desks					
Rugs/Carpet					
Bed Linens					
Curtains/Draperies					
Dressers					
Bureaus/Chests					
Bookcases/Books					
Mirrors					
Other					
ARTS & CRAFTS					
Pictures/Paintings					
Sculpture/Pottery					
Other					
ELECTRONICS					
Television					
VCR/DVD					
Stereo					
CDs					
Computer					
Clocks					
Other					
MISCELLANEOUS					
Blinds					
Clothing					
ADDITIONAL NOTES:					



BATHROOMS INVENTORY					
ITEM	QTY	PURCHASE DATE	PURCHASE PRICE	BRAND NAME	MODEL/SERIAL #
FURNITURE					
Hamper					
Floor/Bath Mats					
Mirrors					
Light Fixtures					
Bathtub					
Curtains/Draperies					
Other					
ARTS & CRAFTS					
Pictures/Paintings					
Sculptures/Pottery					
Other					
ELECTRONICS					
Electronic Toothbrush					
Hair Dryer					
Shaver					
Curlers					
Other					
MISCELLANEOUS					
Towels/Linens					
Toiletries					
Bathroom Scale					
Other					
ADDITIONAL NOTES:					



OTHER INVENTORY					
ITEM	QTY	PURCHASE DATE	PURCHASE PRICE	BRAND NAME	MODEL/SERIAL #
VEHICLES					
Cars/Trucks					
Boats					
RVs					
Other					
JEWELRY					
COLLECTIBLES					
COMPUTER HARDWARE					
ELECTRICAL DEVICES					
REAL ESTATE					
ADDITIONAL NOTES:					



OTHER INVENTORY

ITEM	QTY	PURCHASE DATE	PURCHASE PRICE	BRAND NAME	MODEL/SERIAL #
MISCELLANEOUS					
Cameras					
Furs					
Antiques					
Tools					
Firearms					
Plants					
Toys/Porcelain Dolls					
Telescope					
Fish/Fish Tanks					
Musical Instruments					
Outdoor Furniture					
Lawnmower					
Other					

ADDITIONAL NOTES:

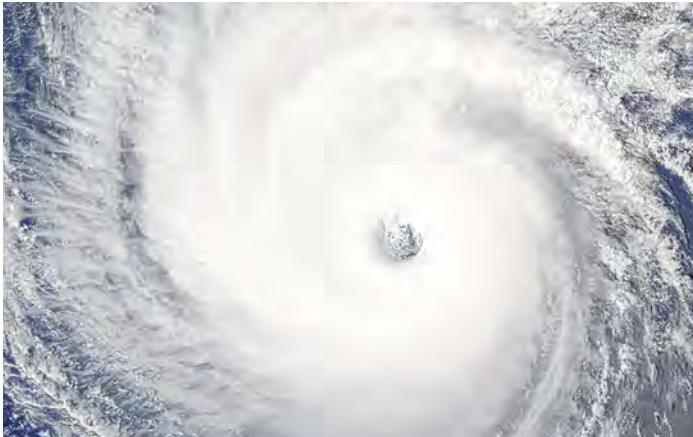


The Claims Process

If you have a covered loss, you should determine if the amount of the loss exceeds your policy deductible. You can do that by obtaining a repair estimate from a licensed contractor. If the damage exceeds your deductible by an amount that you believe to be sufficient to justify filing a claim with your insurance company, then do so as soon as possible. Remember, one of your duties is to file the claim in a timely manner.



If the covered loss is due to a hurricane and the amount of the loss is less than your hurricane deductible, you should still file a claim with your insurance company and save all invoices and receipts for the repairs that were completed. It is important to file the claim because the hurricane deductible is a cumulative, calendar year deductible. This means you must only meet the hurricane deductible once during the calendar year. If there are two or more hurricanes in the same calendar year, the deductible that will be applied to damage that occurs from a second hurricane will be either (1) the amount left over from the deductible applied to the damage from the first hurricane or (2) the “all peril” deductible stated in your policy, whichever is greater.



Whether your home is damaged by a hurricane or other reason, you must make reasonable emergency repairs to prevent further damage. Always take photos of any damaged property and save all receipts for material and labor used in making emergency repairs. Never throw away any damaged personal property until instructed to do so by the adjuster. The company has a right to inspect the damage before you receive any payment. (See next section for more information about adjusters.)

Keep a phone log of the dates, times, and names of all persons you speak to regarding your claim. Also, keep a copy of anything you sign.





Types of Adjusters

When you report a claim to your insurer, they normally assign an adjuster to inspect and estimate your loss. There are three types of adjusters:

<p>COMPANY ADJUSTERS</p>	<p>They work for and are paid by your insurance company to inspect and estimate your loss. They submit a report directly to the insurance company which is used by the company to determine the appropriate amount of payment to you. In the event of a disaster, emergency adjusters are licensed to assist in Florida and may be appointed by an insurance company or an independent adjusting firm.</p>
<p>INDEPENDENT ADJUSTERS</p>	<p>They may be self-employed or work for an independent adjusting firm. Independent adjusters and their firms are hired and paid by insurance companies to adjust the claims of their policyholders. They inspect and estimate your loss and report it to the insurance company. The insurance company makes the final decision regarding the amount it pays you.</p>
<p>PUBLIC ADJUSTERS</p>	<p>They may be self-employed or work for a public adjusting firm. You may hire a public adjuster to estimate your damage and negotiate a settlement on your behalf with the insurance company. A public adjuster charges a fee to handle the claim on your behalf. Their fee is normally stated on the contract as a percentage of the amount they collect on your behalf. In Florida, there are limitations on the amount public adjusters can charge depending on the type of claim you have. When you call to verify a public adjuster's license, you should also verify the amount they are charging you is correct.</p>

Make sure your adjuster is **properly licensed in Florida**. If you have any questions about the license status of an adjuster, or the way your claim was handled, call the Florida Department of Financial Services, Insurance Consumer Helpline toll-free at 1-877-MY-FL-CFO (1-877-693-5236).



BE AWARE: If you put into effect a public adjusting contract, that contract could be with an adjusting firm and not an individual public adjuster. Adjusting firms are not licensed at this time. If the public adjuster you are working with leaves the firm, you may want to be sure the firm is willing to release you from the contract. Make sure to read your contract carefully and ask questions.



You may use the following log to record the name and contact information for the adjuster assigned to your claim as well as any conversations you have. You should also document attempts to contact the adjuster that were unsuccessful or conversations with others regarding your claim. This information could be beneficial at a later date.

ADJUSTER INFORMATION

Adjuster Name _____

Adjuster's Company _____

Adjuster's Phone _____

Adjuster's License _____

Claim Number _____

PHONE LOG

Date/Time _____ Date/Time _____

Person's Name _____ Person's Name _____

Subject: _____ Subject: _____

Date/Time _____ Date/Time _____

Person's Name _____ Person's Name _____

Subject: _____ Subject: _____

NOTE: An assignment of benefits (AOB) is an agreement that is commonly used in homeowners' insurance claims by restoration companies and contractors. An AOB is an agreement that, once signed, transfers the insurance claims rights or benefits of the policy to a third-party. This gives the third-party the authority to file a claim, make repair decisions and collect insurance payments without the involvement of the homeowner. For more information about an assignment of benefits please visit the Department's Consumer Protections website: www.myfloridacfo.com/Division/Consumers/AssignmentofBenefits.htm



Options Available If You Have a Claim Dispute

Sometimes there is disagreement between the insurance company and the policyholder involving either the cause of the damage, or the extent of damage that was caused by a covered peril. Prior to filing a lawsuit, it may be beneficial to attempt to resolve the disagreement by using one of the following Alternative Dispute Resolution forums.

MEDIATION: This is an informal process where a trained, neutral mediator tries to help resolve the dispute without dictating the outcome. The insurance company pays the cost of the mediation process. Mediation is not binding on either party. You are not required to accept the offer made by the company at the mediation conference. To determine if your claim qualifies for mediation, call the Florida Department of Financial Services, Insurance Consumer Helpline toll-free at 1-877-MY-FL-CFO (1-877-693-5236).

APPRAISAL: If you and your company representative cannot reach a satisfactory settlement and your policy allows appraisal, you may hire an appraiser to reach a compromise figure. Your appraiser will negotiate with the insurer's appraiser to reach a settlement. If the two appraisers cannot agree, they will hire an umpire. The cost of the umpire is shared by you and the insurer. A decision of any two of the three is binding on all parties.





Before the Storm

- Conduct scheduled reviews of your insurance policy to make sure you are adequately covered and your coverage is up to date.
- Make sure you have a designated place to meet other family members in the event of an emergency. If you are directed to a specific location by local authorities, make sure other family members know where you are.
- Listen to the news on your TV or radio to receive emergency instructions from local authorities and to keep up with the current weather conditions. You should have a battery-operated radio available in case you lose power. Make sure you have extra batteries on hand.
- If you know a storm is headed your way, fill up your gas tank in case you must evacuate. It is not always easy to find an operating gas station as the storm approaches.
- You should always have an emergency kit for injuries or illnesses on hand. It is a good idea to have one located permanently in your vehicle. This includes cloth face coverings, disposable gloves and hand sanitizer.
- If you must evacuate, try to contact your employer and let them know your plans.
- Make advance plans for your pets. Not all public shelters or hotels allow animals unless they are “service animals”. Make a kit for your pet/s that includes: pet crate; food and water bowls, medications with instructions; copies of current veterinary records; leashes and collars; a photo of each pet; and cat litter and box if applicable.
- Before a storm arrives, move any outside furniture or other valuables into your home and lock all windows and doors. Pick up any loose items in the yard as they can become projectiles in a storm.
- It is a good idea to keep cash on hand. ATMs will not work if the power is out, and banks may not be able to restock the ATMs for a while once power is restored.
- Check on your neighbors to see if they need assistance.

As the Storm Approaches

Make sure your family has a plan of evacuation, including a list of people to contact in the event you need to leave the area. List individuals to be contacted before and after evacuation (one person should be located out of state if possible).

PERSONAL CONTACTS

Name _____

Name _____

Email _____

Email _____

Phone #s _____

Phone #s _____

EVACUATION ROUTES

Route One _____

Route Two _____

Storm Shelter _____

Storm Shelter _____



DON'T FORGET MEDICAL INFORMATION!

- List of necessary medications
- Health insurance ID cards
- Record of immunizations/allergies
- Disabilities documentation
- Dental records
- Child identity cards
- Living will

Note: If you take prescription medications regularly, you should contact your pharmacy before a storm strikes to get prescriptions filled so that you don't run out.

MEDICAL INFORMATION

Physician _____

Physician Phone _____

Pharmacy _____

Pharmacy Phone _____



LEGAL and FINANCIAL DOCUMENT CHECKLISTS



Make sure you have the following information, including correct phone numbers for your insurance companies. Review your coverage to make sure it is adequate for your current circumstances. If you are missing some of this information and are unsure where to obtain it, see the list of resources at the end of this list. These items may assist if you need to file for government disaster assistance, tax assistance, etc.

Insurance Policies

- Property Insurance
- Auto Insurance
- Health Insurance
- Life Insurance
- Other

Financial Information

- Bank/Credit Union Statements
- Credit/Debit Card Statements
- Retirement Accounts (401K, TSP, IRA)
- Investment Accounts (Stocks, Bonds, Mutual Funds)



Tax Information

Tax returns from the previous year may be required to apply for loans and to verify your income in the event you need to apply for assistance.

- Previous Year's Income Tax Return
- Property Tax Statement
- Personal Property Tax (i.e. Car Tax)

Sources of Income/Assets

You may be required to provide verification of your income and its source if you need to apply for assistance.

- Recent Pay Stubs for All Sources of Income
- Government Benefits (e.g. Social Security, Temporary Assistance for Needy Families, Veterans')
- Alimony Income
- Child Support Income
- Professional Appraisals of Personal Property
- Rewards Accounts (e.g., Frequent Flyer Programs, Hotel Rewards)

Financial Obligations

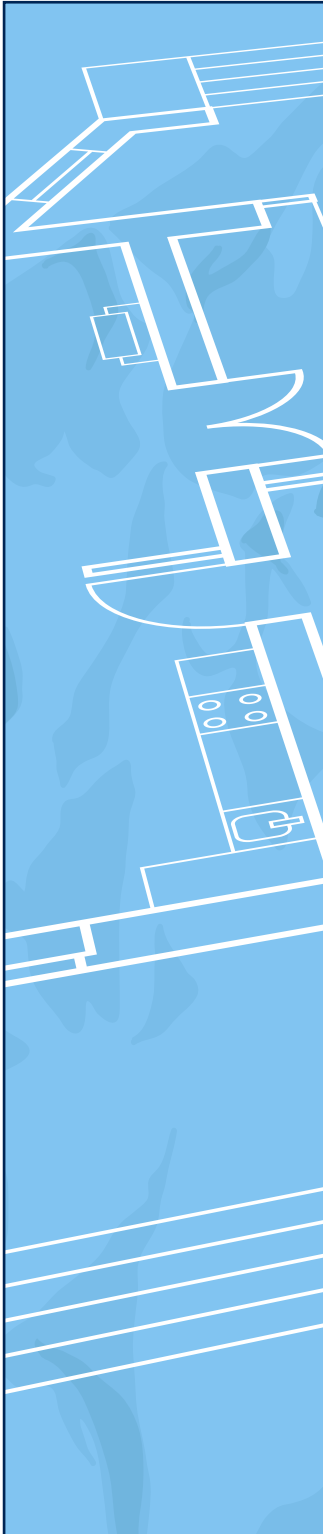
Having a record of your financial obligations can be extremely important to demonstrate your discretionary income and to qualify for income-based assistance following a disaster. If you do not have a lease, having proof of utility payments is very important to demonstrate residence in the home.

- Mortgage Statement
- Lease
- Utility Bills (Electric, Water, Gas)
- Car Payment
- Student Loan
- Alimony Payments
- Child Support Payments
- Elder Care Facilities
- Other Debt



Vital Insurance Information

The following information will be important immediately after a storm and will help expedite the filing of claims. Perform an annual review of the type and amount of coverage you have and know what each of your insurance policies cover. Make sure you are adequately protected in the event of a loss.



PROPERTY INSURANCE

Company _____

Policy Number _____

Company Phone # _____

Company Address _____

Deductible _____

Premium Due Date _____

WIND ONLY POLICY

Company _____

Policy Number _____

Company Phone # _____

Company Address _____

Deductible _____

Premium Due Date _____

AUTO INSURANCE

Company _____

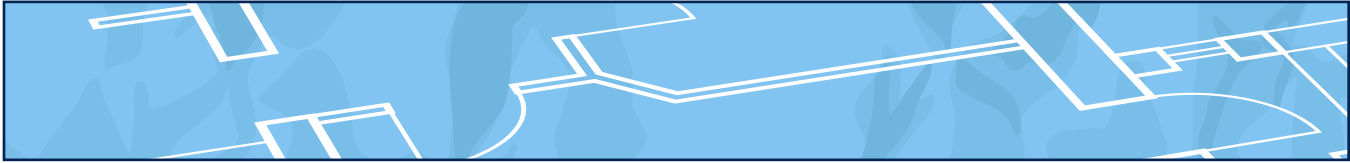
Policy Number _____

Company Phone # _____

Company Address _____

Deductible _____

Premium Due Date _____



HEALTH INSURANCE

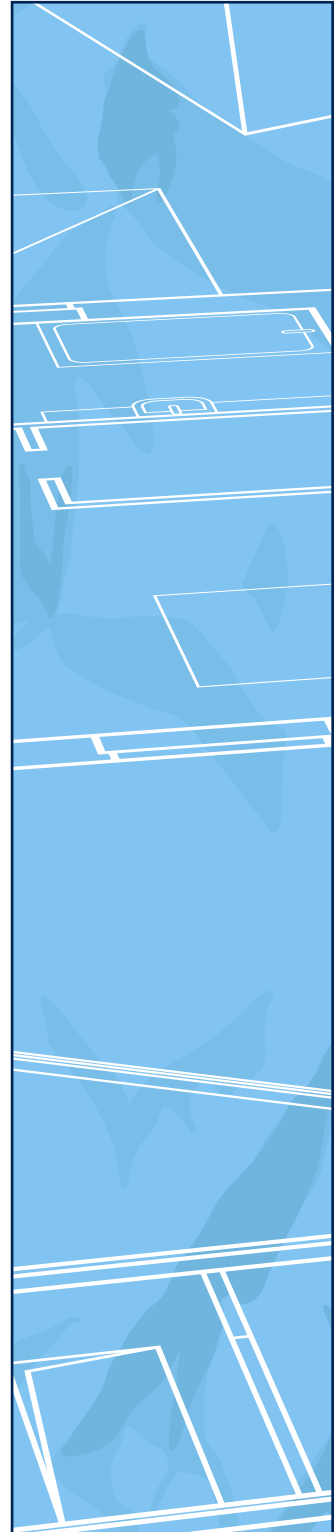
Company _____
Policy Number _____
Company Phone # _____
Company Address _____
Deductible _____
Premium Due Date _____

LIFE INSURANCE

Company _____
Policy Number _____
Company Phone # _____
Company Address _____
Deductible _____
Premium Due Date _____

OTHER INSURANCE (EX. BOAT, FLOOD)

Company _____
Policy Number _____
Company Phone # _____
Company Address _____
Deductible _____
Premium Due Date _____





Special Note about Security Concerns

Electronic payments, credit/debit cards and software programs for taxes and other finances require a password, PIN (Personal Identification Number) or personal security questions as an extra measure of protection. It is important to keep these access codes secure. DO NOT include a list of passwords and PINs in your documents.

Choosing secure passwords is one of the most important things you can do to keep your electronic accounts safe and avoid the headaches and potential suffering caused by security breaches. Be sure to select a password or PIN that is something you will be able to remember, but that is NOT something easily associated with you, such as a birth date, phone number, nickname or other reference someone could easily discover. Never write your password down or store it in an unencrypted file.

NEVER give out a password or PIN for any account to anyone, no matter who the person is or claims to be. No customer service representative, systems administrator or corporate security officer should ever ask you for your password or PIN. If someone is authorized to access your account, he or she does not need your password to get access.

How to Get Important Documents

You can obtain copies of birth, death, marriage, divorce and adoption certificates from your state health or social services administrations for a minimal fee.

The IRS requires all U.S. Citizens who receive income to have a Social Security Number. You can find assistance in obtaining replacement cards at <http://www.socialsecurity.gov/ssnumber/> or you may visit your local Social Security Office.

If you need to replace your passport, a copy of your passport helps expedite this process. Additional information may be obtained at <http://travel.state.gov/content/passports/en/passports.html>.

If you need to replace naturalization documents, please visit <http://www.uscis.gov/n-565>. Naturalization documents are the only acceptable proof of citizenship for individuals not born in the United States. Additional information regarding U.S. Citizenship and Immigration Services is also available at the site listed above.

A will is an extremely important document that can help reduce family conflicts, probate, time and expenses during the stressful time of losing a loved one. A Short Form Will is an uncomplicated will, used to give all assets equally to one or more heirs and can generally be obtained for less than \$10. Most financial planners can help you with this or you can contact your local legal aid offices.

A power of attorney (POA) is a legal document that authorizes another person to act on your behalf. That person does not have to be an attorney, just someone you trust to make decisions for you if you cannot make them yourself. A power of attorney can grant complete authority or can be limited to certain acts and/or for certain periods of time.

If you need a copy of your mortgage or deed of trust, contact your lending institution. Proof of home ownership may be required in order to receive federal disaster assistance.

If you do not have the title or registration to your vehicle, you should be able to get a duplicate title or registration from your local Department of Motor Vehicles.

Notes:



**DEPARTMENT OF FINANCIAL SERVICES
INSURANCE CONSUMER HELPLINE
1-877-MY-FL-CFO (1-877-693-5236)**

September 2020

