

SPECIAL COVERAGES**For Use With Form SIC DP-3**

For an additional premium; the PERILS INSURED AGAINST listed below apply to either of the following coverages, if provided in this policy:

1. Improvements, Alterations and Additions;
2. Unit-Owners Building Items.

PERILS INSURED AGAINST

We insure against risks of direct loss to the property described above only if that loss is a physical loss to property.

This includes the perils of "catastrophic ground cover collapse" as provided in Part **A.** below and "sinkhole loss" as provided in Part **B.** below.

However, we do not insure loss:

1. Involving collapse, including any of the following conditions of property or any part of the property, whether above or below the ground:
 - a. An abrupt falling down or caving in;
 - b. Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - c. Any spalling, crumbling, settling, cracking, shifting, bulging, racking, sagging, bowing, bending, leaning, shrinkage or expansion, or any other age or maintenance related issues, as such condition relates to a. or b. above; except as provided in **Other Coverages – Collapse**;
2. Caused by:
 - a. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing.

This exclusion applies only while the dwelling is "vacant," "unoccupied," or being constructed, unless you have used reasonable care to:

- (1) Maintain heat in the building; or
 - (2) Shut off the water supply and drain the system and appliances of water;
- b. Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (1) Fence, pavement, patio or swimming pool;
 - (2) Foundation, retaining wall or bulkhead; or
 - (3) Pier, wharf or dock;
 - c. Theft of any property which is not actually part of any building or structure covered;
 - d. Theft in or to a dwelling or structure under construction;
 - e. Wind, hail, ice, snow or sleet to:
 - (1) Outdoor radio and television antennas and aerials including their lead-in wiring; masts or towers; or
 - (2) Trees, shrubs, plants or lawns;
 - f. Vandalism and malicious mischief, theft or attempted theft if the dwelling has been "vacant" for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered "vacant";
 - g. Dropped objects to the interior of a building, property contained in a building, or flooring located outside of a building, unless the roof or an outside wall of the building is first damaged by a dropped object. Damage to the dropped object itself is not covered.
 - h. Rain, snow, sleet, sand or dust to the interior of a building unless a covered

peril first damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

- i. Accidental discharge or overflow of water or steam;

Unless loss to property covered under:

(1) Improvements, Alterations and Additions;

(2) Unit-Owners Building Items;

results from an accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance.

We also pay for the cost to tear out and repair, only that part or portion of a building or other structure owned solely by you covered under this SPECIAL COVERAGE form as Improvements, Alterations and Additions or Unit-Owners Building Items above, at the location of the Described Location, necessary to access the system or appliance from which the water or steam escaped.

(1) The cost that we will pay for tear out and repair of the Improvements, Alterations and Additions of Unit-Owners Building Items as specified above is limited to only that part or portion of the Improvements, Alterations and Additions or Unit-Owners Building Items owned solely by you, covered under this SPECIAL COVERAGE form, which is necessary to provide access to the part or portion of the system or appliance that caused the covered loss, whether the system or appliance, or any part or portion of the system or appliance, is repairable or not.

(2) Such tear out and repair coverage only applies to other structures

owned solely by you if the water or steam causes actual damage to a building owned solely by you at the location of the Described Location.

- (3) In no event will we pay for the repair or the replacement of the system or appliance that caused the covered loss.

We do not cover loss:

(1) To or within the Described Location, if the Described Location has been "vacant" for more than 30 consecutive days immediately before the loss. The Described Location being constructed is not considered "vacant";

(2) To the system or appliance from which this water or steam escaped;

(3) On the Described Location caused by accidental discharge or overflow which occurs away from the building where the Described Location is located;

(4) Caused by constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity; moisture or vapor, which occurs over a period of 14 or more days, whether hidden or not and results in damage such as wet or dry rot, "fungi," deterioration, rust, decay or other corrosion;

(5) To a plumbing system, whether above or below the ground, caused by:

a. Age, collapse, obsolescence, wear, tear;

b. Fading, oxidization, weathering;

c. Deterioration, decay, marring, delamination, crumbling, settling, cracking;

d. Shifting, bulging, racking, sagging, bowing, bending, leaning;

e. Shrinkage, expansion,

- contraction, bellying, corrosion;
- f. The unavailability or discontinuation of a part or component of the system; or
- g. Any other age or maintenance related issue;

(6) To a plumbing system, whether above or below the ground, caused by the impairment, state or condition of the system, which prohibits repair or replacement including access, necessary to connect the adjoining parts of appliances, pipes or system; or

(7) Otherwise excluded or limited elsewhere in the Policy.

For purposes of this provision, a plumbing system or household appliance does not include:

- (1) A sump, sump pump, irrigation system or related equipment; or
- (2) A roof drain, gutter, down spout or similar fixtures or equipment.

j. Any of the following:

- (1) Wear and tear, marring, deterioration;
- (2) Inherent vice, latent defect, defect or mechanical breakdown;
- (3) Smog, rust, decay or other corrosion;
- (4) Smoke from agricultural smudging or industrial operations;
- (5) Discharge; dispersal, seepage, migration release or escape of pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including;

- a. Smoke;
- b. Vapor;
- c. Soot;
- d. Fumes;
- e. Acids;
- f. Alkalis;

- g. Chemicals; and
- h. Waste.

Waste includes materials to be recycled, reconditioned or reclaimed;

(6) Settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs or ceilings; or

(7) Birds, vermin, rodents, marsupials, animals, reptiles, insects or pests, including but not limited to, termites, snails, raccoons, opossums, armadillos, flies, bed bugs, lice, ticks, locust, cockroaches, and fleas.

If any of these cause water damage not otherwise excluded or limited elsewhere in the Policy, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the Described Location, we cover loss caused by the water, including the cost to tear out and repair only that part or portion of a building or other structure owned solely by you covered under this SPECIAL COVERAGE form as Improvements, Alterations and Additions or Unit-Owners Building Items, at the location of the Described Location, necessary to access the system or appliance.

(1) The cost that we will pay for necessary tear out and repair of the Improvements, Alterations and Additions or Unit-Owners Building Items as specified above is limited to only that part or portion of the Improvements, Alterations and Additions or Unit-Owners Building Items owned solely by you, covered under this SPECIAL COVERAGE form, which is necessary to provide access to the part or portion of the system or appliance that caused the covered

loss, whether the system or appliance, or any part or portion of the system or appliance, is repairable or not.

(2) Such tear out and repair coverage only applies to other structures owned solely by you if the water or steam causes actual damage to a building owned solely by you at the location of the Described Location.

(3) In no event will we pay for the repair or the replacement of the system or appliance that caused the covered loss.

We do not cover loss to the system or appliance from which this water escaped.

For purposes of this provision, a plumbing system or household appliance does not include:

(1) A sump; sump pump, irrigation system or related equipment; or

(2) A roof drain, gutter, down spout or similar fixtures or equipment.

3. Excluded under GENERAL EXCLUSIONS.

Under items 1. and 2., any ensuing loss not excluded or excepted in this policy is covered.

Part A.

Catastrophic Ground Cover Collapse.

1. With respect to Improvements, Alterations and Additions, if provided in the policy:

a. We insure for direct physical loss to your Improvements, Alterations and Additions covered under the COVERAGES section of your policy, located within the "principal building;" caused by the peril of "catastrophic ground cover collapse."

b. 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."

c. 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 Described Location.

2. With respect to Unit-Owners Building Items, if provided in the policy:

a. We insure for direct physical loss to the "principal building" caused 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. 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 Described Location.

If we at our option repair the "principal building" for direct physical loss resulting from the peril of "catastrophic ground cover collapse," we will stabilize the portion of the "principal building's" land which is your insurance responsibility under a corporation or association of property owners agreement in accordance with the professional engineers recommended repairs.

With respect to Part A.1. and Part A.2. above:

This coverage does not increase the limit of liability that applies to the damaged property.

The GENERAL EXCLUSION Earth Movement And Settlement 1.b. does not apply to "catastrophic ground cover collapse."

The GENERAL EXCLUSION Loss caused by Sinkhole 1.i. does not apply to

"catastrophic ground cover collapse."

Part **B**.

1. With respect to Improvements, Alterations and Additions, if provided in the policy:

Sinkhole Loss.

- a. We insure for direct physical loss to your Improvements, Alterations and Additions covered under the COVERAGES section of your policy, located within the "principal building," caused by "sinkhole loss" that occurs during the policy period.
- b. Coverage **C** and additional living expense coverage applies if there is a direct physical loss resulting from "sinkhole loss," unless the loss is excluded elsewhere in your Policy.
- c. Any verification of the presence of a "sinkhole loss" must be in compliance with Florida sinkhole testing standards. If the testing is performed at our request, we will notice you.
The professional engineer or professional geologist must be selected or approved by us.
- d. This peril does not apply to the costs to repair or stabilize the land, buildings, other structures or their foundations.
- e. This peril does not increase the limit of liability applying to the covered property.
- f. We do not insure land or the replacement; rebuilding, restoration, or value of land.
- g. If the loss or damage is caused by both "catastrophic ground cover collapse" and "sinkhole loss", only one limit of insurance will apply to such loss or damage.

2. With respect to Unit-Owners Building Items, if provided in the policy:

Sinkhole Loss.

- a. We insure for direct physical loss to the "principal building" under the COVERAGES section of your policy caused by "sinkhole loss" that occurs

during the policy period. This includes the costs incurred to:

(1) Stabilize the portion of the "principal building's" land and "principal building"; and

(2) Repair the portion of the foundation of the "principal building";

which is your insurance responsibility under a corporation or association of property owners agreement, in accordance with the recommendations of our professional engineer who verifies the presence of a "sinkhole loss" in compliance with Florida sinkhole testing standards and with notice to you.

The professional engineer or professional geologist must be selected or approved by us.

- b. This peril does not apply to personal property and additional living expense coverage unless there is "structural damage" to the "principal building" caused by "sinkhole activity."
- c. This peril does not increase the limit of liability applying to the covered property.
- d. We do not insure land or the replacement, rebuilding, restoration, or value of land except as provided under a.(1) above and in accordance with the recommendations of our professional engineer.
- e. If the loss or damage is caused by both "catastrophic ground cover collapse" and "sinkhole loss", only one limit of insurance will apply to such loss or damage.

With respect to Part B.1 and Part B.2 above:

The GENERAL EXCLUSION Loss caused by Earth Movement And Settlement 1.b. does not preclude coverage for "sinkhole loss" if there is a direct physical loss to the "principal building" caused by "sinkhole loss."

If a loss is caused in part by "sinkhole loss" and in part by Earth Movement and Settlement, our liability is limited to the

amount of the covered loss caused by "sinkhole loss," subject to any applicable deductible provisions.

The GENERAL EXCLUSION Loss caused by Sinkhole 1.i. does not apply to "sinkhole loss."

Under Perils Insured Against, a plumbing system includes a septic system.

GENERAL EXCLUSIONS

The following exclusion applies to either of the following coverages; if provided in this policy:

1. Improvements, Alterations and Additions;
2. Unit-Owners Building Items.

We do not insure for loss caused directly or indirectly by constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor, which occurs over a period of 14 or more days, whether hidden or not and results in damage such as wet or dry rot, "fungi," deterioration, rust, decay or other corrosion.

Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

The following is added to the Existing Damage EXCLUSION:

Visible physical damage or "structural damage" to covered property under your policy or to the "principal building" including the foundation caused by "sinkhole," "sinkhole loss" or "sinkhole activity" occurring prior to the inception of this policy, regardless of whether such damages were apparent at the time of the inception of this policy or discovered at a later date.

The following exclusions are added to the GENERAL EXCLUSIONS:

We do not insure for loss to property described as Improvements, Alterations and Additions or Unit-Owners Building Items caused by any of the following.

However, any ensuing loss not otherwise excluded or excepted in this Policy is covered.

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in the GENERAL EXCLUSIONS, other than EXCLUSIONS 2. and 3. Below, to produce the loss;
2. Acts or decisions; including the failure to act or decide, of any person, group, organization or government body;
3. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;
 - b. Design; specifications; workmanship; repair, construction, renovation, remodeling, grading, compaction;
 - c. Materials used in repair, construction, renovation or remodeling; or
 - d. Maintenance; of part or all of any property whether on or off the Described Location.

All other provisions of this policy apply.