

**FLORIDA DISCLOSURE NOTICE - HOMEOWNERS INSURANCE
REPLACEMENT COST COVERAGE AND ORDINANCE OR LAW COVERAGE
(NOT APPLICABLE TO FORMS HO 00 04 AND HO 00 06)**

NO COVERAGE IS PROVIDED BY THIS DISCLOSURE NOTICE NOR DOES THIS NOTICE REPLACE ANY PROVISION OF YOUR POLICY. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN THE POLICY AND THIS NOTICE THE PROVISIONS OF THE POLICY SHALL PREVAIL.

FLORIDA Insurance law requires that insureds who buy a Homeowners Insurance policy, **which is not written on a form HO 00 04 or HO 00 06**, must be offered the opportunity to buy Replacement Cost coverage for their home and other building structures.

FLORIDA Insurance law further requires that if the Homeowners Insurance policy automatically provides, or if the insured accepts the offer to buy Replacement Cost coverage, Ordinance or Law coverage must also be offered for the dwelling and other building and non-building structures for a minimum additional amount of 25% of the limit applying to the dwelling or condominium-unit.

ABOUT REPLACEMENT COST COVERAGE

If Replacement Cost coverage is included or added to the Homeowners policy, loss settlement will be based on the cost to repair or replace the house, condominium-unit or other building structure damaged or destroyed by a covered peril with like construction, subject, of course, to policy limits. No deduction for depreciation will be applied.

To qualify for this favorable method of loss settlement, certain conditions must be met. These are explained in the policy under Loss Settlement condition, or if you have Form HO 00 08, the optional Replacement Cost Coverage endorsement.

Note that loss settlement for non-building structures will be based on the actual cash value of the damaged or destroyed structure, not the Replacement Cost.

ABOUT ORDINANCE OR LAW (BUILDING CODE UPGRADE COVERAGE)

If Ordinance or Law coverage is included or added to the Homeowners policy, loss payment will also include the **increased costs** you incur to repair the damaged structure, or to construct a replacement structure, in order to comply with the enforcement of any local, state or federal law, ordinance or regulation affecting repair or construction of such structures. Loss payment will be subject to either the Replacement Cost or Actual Cash Value loss settlement, whichever apply.

Ordinance or Law coverage does not provide payment for any loss in value to covered property because of building or land use codes; **NOR** does it cover the costs incurred to clean up or respond to a pollutant on covered property UNLESS the pollutant is a direct result of damage to covered property by a specified covered peril.

Refer to the Ordinance or Law provisions in the policy for complete details.

THE FOLLOWING briefly outlines which of these coverages, and to what extent they are:

1. automatically included in the Homeowners policy you requested or are renewing; or
2. available for an additional premium charge.

Replacement Cost - Your Homeowners policy automatically provides coverage for the cost to repair or replace a dwelling or other building structure if, at the time of loss, you meet the requirements stipulated in the Loss Settlement Condition found in the policy.

If you do not meet these requirements you may NOT be eligible for full repair or replacement cost protection. If, after reading your policy, you determine that you might need higher limits or additional coverage, contact your insurance representative to discuss availability and your eligibility.

Ordinance or Law - Your Homeowners policy automatically provides coverage for building code upgrade for an amount equal to 10% of the coverage A limit. You may, however, buy coverage for minimum of 25% of the coverage A limit. If you want a greater amount of coverage, contact your insurance representative.

If you do NOT want this additional coverage, please read, sign and date the enclosed REJECTION FORM and return it to your insurance representative. If you don't return the completed Form to us within **10 days**, we will endorse the coverage on to your policy and charge you the additional premium.

If you decide to reject this coverage now, you can request it at anytime this policy, or a renewal policy, is in force. If you do, coverage will not become effective during a storm or hurricane or during the time a storm or hurricane watch or warning is issued by the National Weather Service and for 72 hours after that watch or warning is canceled.