



DISCLOSURE NOTICE LANDLORDS PACKAGE POLICY PROGRAM DWELLING PROGRAM

Your renewal policy includes important coverage changes. Please review this important notice and retain it with *your* insurance policy.

This Disclosure Notice is not a contract of insurance. It is intended to provide information on an updated FL form series which is now in use by this company. *Your* specific policy may not include all of the forms addressed by this Disclosure Notice. It is recommended that *you* review *your* policy carefully to determine *your* duties, rights and obligations. This information is intended to assist *you* in the review of *your* prior and current policy. If there are any conflicts between this Disclosure Notice and *your* policy, the provisions of the policy shall prevail.

Important changes are featured in this FL form series update and some changes may broaden coverage while others restrict coverage. *We* will highlight the major changes for *your* information.

Please note that many forms have been reformatted with new introductory language added to further continuity among forms. In addition, all of the forms have updated language to utilize causes of loss, amounts of insurance and *We, You, Us* and *Our* language to replace perils, limits of liability and *insured* and insurer language. The conditions section of the FL-20 has been updated in accordance with recent changes in the law. Wherever possible, language has been streamlined for better readability.

Coverage has been broadened in several forms and *we* would like to outline those changes for *your* review:

1. Exclusion 1c in the liability forms has been restricted to the *insured* only.
2. A Loss Clause has been added to the revised liability forms.
3. Prejudgment Interest is now reimbursable under the policy.
4. The Aircraft cause of loss has been enhanced.
5. The Smoke cause of loss has been enhanced.
6. The Riot and Civil Commotion cause of loss has been enhanced.
7. Volcanic Action has been included as an additional cause of loss in some forms.
8. Sink Hole Collapse has been included as an additional cause of loss in some forms.
9. *Motorized vehicles* coverage has been broadened by exempting vehicles used to assist handicapped persons.
10. Special limits pertaining to vehicles used to assist the handicapped has been increased from \$500 to \$2500.00.
11. The limit applicable to towing mobile homes has been increased from \$100 to \$250.00.
12. Section 5 Loss Assessment has been added to form FL-5.
13. Form FL-20 has been broadened by excepting rental related activities from the definition of *business*.
14. Form FL-20 Coverage B has been broadened to include coverage for materials and supplies on the premises for use in construction of or to a related private structure.
15. The Vandalism cause of loss has been broadened by the reference that a *residence* under construction is not considered vacant.

Coverage has been narrowed in several forms and *we* would like to outline those changes for *your* review:

1. Liability forms FL-OLT and FL-OLT-F have been revamped to include the "absolute" pollution liability exclusion in place of the prior edition. The current exclusion is more inclusive and arguably it reduces coverage on those policies including these forms.
2. Coverage L on all liability forms has been narrowed to restrict defense to counsel of *our* choice.
3. Punitive Damages coverage has been specifically excluded.
4. The definition of *Insured* has been modified to preclude recovery for injury or damage sustained by an *insured*.
5. Exclusion 1b and 1c on the liability forms have been expanded to include reference to occupancy, renting, loaning, entrusting, supervision, loading and unloading of aircraft, *motorized vehicles* and watercraft.

6. Additional exclusions have been added to the liability forms to confirm the prior intent that there is no coverage for injury or damage arising from intentional acts, child abuse, criminal activities or transmission of communicable diseases.
7. The theft cause of loss has been narrowed by the inclusion of addition language to exclude losses arising from credit or debit cards.
8. On form FL-20, a special amount of insurance applies to grave markers. There was no limitation in the prior form.
9. Debris Removal Coverage is limited to reasonable costs and it now excludes the cost of removal and replacement of polluted land or water.
10. The Removal Clause has been modified to restrict the covered causes of loss except as excluded or limited coverage to the first five days of the removal period as opposed to the unspecified five day period in the prior editions.
11. Incidental Coverage 4 on FL-20 has been revised to state that any payment is included within the Coverage B amount of insurance for the same loss.
12. Incidental Coverage 5 on form FL-5 states that any payment is included within the Coverage A amount of insurance for the same loss.
13. The Exclusions section of FL-20 has been reordered in alphabetical order and losses due to delay, employee dishonesty, faulty planning and weather phenomena contributing concurrently have been added.
14. Section 7 of the Conditions on form FL-20 has been modified to enable the insurer to examine each *insured* separately.
15. The definition of ***Bodily Injury*** now includes reference to bodily sickness and bodily disease; use of these modifying words restricts coverage.