



APPROVED
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FL OFFICE OF INSURANCE REGULATION

Homeowners

Personal Residential Multi-Peril Underwriting Guidelines

JUNE 2022

CITIZENS PROPERTY INSURANCE CORP

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RULE 100. GENERAL INFORMATION

The Homeowners Program provides property and liability coverages using the forms and endorsements specified in this manual. This manual contains the rules and classifications governing the writing of the Homeowners Policies listed below. Visit our Website: <http://www.citizensfla.com>

- HO-3 Homeowners Special Form
- HO-4 Homeowners Contents Broad Form
- HO-6 Homeowners Unit Owners Form
- HO-8 Homeowners Modified Coverage Form

RULE 102. APPLICATIONS, QUOTES, POLICY PERIOD & DECLARATIONS

All applications must be submitted by using Citizens' electronic policy administration system on the **Homeowners Application CIT-1**

The **CIT-1** application must be completed for eligible applicants requesting a Multiperil Policy under one of the following forms:

- HO-3 Homeowners 3 Special Form
- HO-8 Homeowners 8 Modified Coverage Form
- HO-4 Homeowners 4 Contents Broad Form
- HO-6 Homeowners 6 Unit-Owners Form

Quoting premiums will not be a function of Citizens. However, Citizens is responsible for answering agents' specific rating or eligibility questions. All policies are issued for a one (1) year term at premiums applicable on the effective date of the policy term.

The Declarations will be mailed jointly to the Named Insured and Additional Named Insured when both reside at the same mailing address shown in the Declarations. In this circumstance, a separate copy of the Declarations will not be mailed to the Additional Named Insured. However, if the Named Insured and more than one Additional Named Insured reside at the same mailing address shown on the Declarations, a separate copy of the Declarations will be mailed to the Named Insured and individually to each Additional Named Insured.

RULE 104. EXTENT OF COVERAGE

The Homeowners policy forms provide coverage as follows:

- **Homeowners** – HO-3 and HO-8 provide replacement cost coverage on structures and actual cash value on personal property. Actual Cash Value loss settlement on the structure is an option with an HO-8 policy
- **Unit Owners** – provides replacement cost coverage on additions and alterations that are not the responsibility of the condominium association and actual cash value on personal property.

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- **Tenants** – provides actual cash value on personal property and improvements and

Note: Replacement Cost Coverage on personal property may be purchased on all policy forms except HO-8 policies when Actual Cash Value on the dwelling is selected.

RULE 106. DESCRIPTION OF COVERAGES

The following is a general description of the coverages provided by the individual Homeowners Policy forms. The policy must be consulted for exact contract conditions.

PERILS INSURED AGAINST	HO-3	HO-8	HO-4 & HO-6
Fire or lightning	Yes	Yes	Yes
Windstorm or hail, explosion, riot or civil commotion, aircraft, vehicles or smoke	Yes	Yes	Yes
Vandalism or malicious mischief	Yes	Yes	Yes
Theft	Yes	Yes	Yes
Volcanic eruption	Yes	Yes	Yes
Falling objects, weight of ice, snow or sleet, accidental discharge of water or steam, sudden and accidental tearing apart of heating system or appliance, freezing, sudden accidental damage from electrical current	Yes	No	Yes
Additional risks with certain exceptions (Special Coverage)	Yes Cov. A, B & D	No	Optional for Cov. A in CIT HO-6
Catastrophic ground cover collapse	Yes	Yes	Yes
Sinkhole	Optional	Optional	Yes
Personal Liability	Yes	Yes	Yes
Medical Payments to Others	Yes	Yes	Yes

RULE 108. HURRICANE OR TROPICAL STORM BINDING SUSPENSION

Agents may not bind applications for new coverage or policy changes for increased coverage, regardless of effective date, when a Tropical Storm or Hurricane Watch or Warning has been issued by the National Weather Service for any part of the State of Florida.

RULE 110. AUTOMATIC INCREASE IN LIMITS

The Coverage A Dwelling limit is based on “Insurance To Value.” Therefore, the Coverage A Dwelling limit may be adjusted annually at renewal for inflation as determined by the Cost of Construction Inflation Index. Other blanket limits will be adjusted proportionately; changes will be indicated on the Renewal Declarations page. The automatic increase in Coverage A does not apply to: (1) Unit Owners or (2) Tenant Named Insured policies, or (3) policies settled on an Actual Cash Value basis.

RULE 112. LIMITS OF LIABILITY AND COVERAGE RELATIONSHIPS FL OFFICE OF INSURANCE REGULATION

Basic Limits

Coverages	HO-3 & HO-8	HO-4 & HO-6
A - Dwelling	Refer to tables below	Refer to tables below
B - Other Structures	Up to 60% of A	N/A
C - Personal Property	Up to 50% of A	Refer to tables below
D - Loss of Use	10% of A	10% of C – HO-4
		20% of C – HO-6
E - Personal Liability	\$100,000	\$100,000
F - Medical Payments To Others	\$2,000	\$2,000

Minimum Coverage A and C Limits

Form Type	Coverage A Minimum Limit	Coverage C Minimum Limit
HO-3	\$25,000	25% of Cov. A*
HO-8	\$25,000 when Replacement Cost loss settlement is selected \$25,000, or 50% of Replacement Cost, whichever is greater, when Actual Cash Value loss settlement is selected	
HO-4	N/A†	\$6,000
HO-6	\$1,000 (included in base rates)	\$6,000

* Minimum limit not applicable if contents coverage is excluded

Maximum Coverage A and C Limits

Form Type	Coverage A Maximum Limit	Coverage C Maximum Limit
HO-3	< \$700,000#	50% of Cov. A
HO-8	\$200,000 Replacement Cost whether Replacement Cost or Actual Cash Value loss settlement is selected Coverage A cannot exceed \$200,000**	
	Coverage A cannot exceed 79% of the dwelling Replacement Cost when Actual Cash Value loss settlement is selected	
HO-4	N/A‡	\$100,000
HO-4 (Wind)	N/A‡	< \$700,000*#
HO-6	\$200,000	\$200,000
HO-6 (Wind)	Combined Cov. A and Cov. C Maximum Limit < \$700,000*#	

< \$1,000,000 in Miami-Dade and Monroe counties, where the Office of Insurance Regulation has determined there is not a reasonable degree of competition

(Wind) Risks located in a WIND-ONLY eligible area with Windstorm or Hail coverage

* Reference High Value unbound application submission rules.

‡ Improvements, Alterations & Additions – 10% of Cov. C included

** Unless written on this policy form solely due to underwriting considerations

HO-3 & HO-8 – Coverage B options of 2%, 5% or 10%-60%, of Coverage A may be selected. Coverage B may also be excluded.

UNDERWRITING GUIDELINES – PRM HOMEOWNERS

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RULE 114. BINDING AUTHORITY AND SUBMISSION PROCEDURES

A. GENERAL

1. No binder of insurance with Citizens may be effective unless the risk is first submitted for coverage through Citizens' clearinghouse established subject to Section 627.3518 F.S. If no offer(s) of coverage are received from an authorized insurer and the risk meets Citizens eligibility and underwriting requirements, the following must be obtained:
 - a. A fully completed, signed and dated application;
 - b. Required premium; and
 - c. All required documentation.
2. The fully completed, signed and dated application, required premium and all required documentation must be submitted to Citizens within five (5) business days from the effective date of coverage.

Note: The five (5) day submission requirement also applies to all endorsements that increase, broaden or extend coverage. All other endorsements must be submitted within fifteen (15) business days.

3. The agent must review each application carefully to determine if the applicant meets all underwriting and eligibility requirements. The binding authority specified herein must not be exceeded under any circumstances.
 - a. Application can be bound if:
 - (1) The risk does not receive an offer from an authorized insurer after the two business day waiting period; **and**
 - (2) The applicant has maintained coverage within the last 45 days and can provide a legible copy of notice of cancellation or non-renewal by the prior insurer; proof of Lender-Placed insurance; **OR**
 - (3) Proof of new purchase or new lease within the last 45 days and applicant can provide a legible copy of purchase agreement, good faith estimate, closing papers, deed or similar documents.
 - b. Application must be bound with an effective date at least 30 days from the date the application is submitted if:
 - (1) The applicant has no proof of prior insurance or proof of new purchase or lease, **OR**
 - (2) The applicant has no prior insurance in the past 45 days
 - c. Application cannot be bound if certain risk characteristics exist. Refer to the UNDERWRITING GUIDELINES section of the manual for details.

4. The application must specifically show the hour, day, month and year coverage is to be effective. The application may be used to provide evidence of insurance.
5. Citizens will void a binder received from an agent that does not have a Citizens Agent Appointment.
6. Agents who submit applications contrary to these guidelines may have their agent/agency appointments with Citizens suspended or terminated.

B. PREMIUM PAYMENT

1. All premium and monies submitted on behalf of the applicant/insured should be payable to Citizens.
2. If an agent submits a premium payment on behalf of the applicant/insured, Citizens will treat such as payment by the insured/applicant. A request for cancellation by the agent due to the agent's inability to collect funds from the insured will not be honored. All premium refunds will be sent directly to the insured unless the policy is premium financed.
3. In the event that a payment is made by check or draft and the instrument is returned because of insufficient funds to pay it, Citizens will impose a charge of \$15 per returned check.
4. The full amount of premium collected must be submitted with each application without deductions (e.g. commissions).
5. No funds should be collected for properties that are ineligible for binding.

C. REQUIRED DOCUMENTATION

Agents may bind the property coverage with the following documentation:

1. Application – Completed, signed and dated Citizens application, with required premium payment, including when applicable, a copy of the Cancellation or Non-Renewal Notice from the immediate previous insurer or proof of new purchase or new lease.
2. Inspection Contact Information Form - A fully completed, signed and dated Citizens Inspection Contact Information Form **CIT ICI – C**.
3. Replacement Cost Estimator (HO-3 & HO-8)
 - a. The agent is required to accurately complete Citizens Replacement Cost Estimator (RCE). The requested replacement cost coverage amount may not be less than 100% or greater than 125% of the replacement cost indicated on the Citizens RCE and the coverage amount must meet the 100% insurance to value requirement. "Insurance to value" means that the dwelling is insured to 100% of the full replacement cost.

- b. If the requested coverage amount does not comply with the requirements noted above, a residential reconstruction cost estimate must be submitted with the application along with the RCE for underwriting consideration.
- c. The reconstruction cost estimate must be completed in one of the following ways:
 - (1) Using software specifically designed for use in establishing insurance replacement costs; **OR**
 - (2) Prepared by a Florida licensed contractor or engineer; **OR**
 - (3) Prepared by a Florida licensed real estate appraiser using a valuation method specifically designed to establish insurance reconstruction costs rather than market value;

AND MUST:

- (1) Include an itemized calculation of the cost of reconstruction; **and**
- (2) Be completed no more than 1 year prior to the requested effective date of policy.

4. Actual Cash Value (HO-8 only)

- a. The agent is required to accurately complete Citizens Replacement Cost Estimator (RCE). The requested Actual Cash Value (ACV) amount must be between 50% and 79% of the replacement cost determined by Citizens' RCE or other acceptable replacement cost valuation method as noted in (3).
- b. The RCE tool may be used as a guide to calculate an ACV amount.
- c. For new business, use Endorsement **CIT 04 81**, "Actual Cash Value Loss Settlement And Exclusion of Ordinance Or Law". If ACV is requested at renewal, a new RCE must be completed and **form CIT ACV-R – Actual Cash Value Loss Settlement Renewal Endorsement Request**, must be signed by the policyholder and submitted to Citizens prior to the renewal effective date.

Note 1: Citizens is not required to provide coverage in excess of replacement cost to satisfy mortgage-lending requirements.

Note 2: A property inspection report may be ordered by Citizens on a property to confirm replacement cost values and/or insurability.

D. PHOTOGRAPH REQUIREMENTS

Citizens requires two recent photographs (standard or digital); one photo angled to show the full front of the dwelling and one side, and the other photo angled to show the full rear of the dwelling and the other side. Additional photographs are required for Other Structures, Coverage B, when that structure is clearly separated from the main building (i.e. pool houses, in-law/guest quarters, detached garage or workshop).

Exception: Photographs are not required on HO-4 or HO-6 properties located in buildings with more than four (4) units. However, photographs are required to verify Loss Mitigation Credits for roof shape.

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E. SUBMISSION REQUIREMENTS

Other documents may be required to support insurability, a premium discount, or to avoid a surcharge as outlined in the manual. A copy of all required documents including photographs must be submitted to Citizens. A second copy of all documents transmitted to Citizens (except photographs) must be given to the applicant. A third copy of all documents transmitted to Citizens (including photographs) must be retained by the agent.

F. AGENT INSPECTION

1. Prior to binding, the agent is required to visually verify, within five (5) business days from the policy effective date, that the property to be insured is located at the address recorded on the application. Additionally, the agent is required to verify that the property meets eligibility criteria and that negative underwriting characteristics are identified.
2. The agent may (at their own expense) designate a person or organization, other than the applicant or an insured, to fulfill this requirement. However, this does not relieve the agent of the responsibility for complying with the requirement or the accuracy of the inspection.
3. The agent's inspection should at least confirm the following:
 - a. Photographs submitted accurately represent the structure to be insured.
 - b. The inspection substantiates the data entered on the Replacement Cost Estimator.
 - c. The physical condition of the structure is acceptable and does not indicate unreported signs of existing damage, disrepair or neglect.
 - d. There are no unusual or obviously hazardous conditions not indicated on the application.

Exception: An agent inspection is not required on property that does not require a photograph for submission.

RULE 116. COMMISSIONS

The rate of commission payable to agents for all coverages will be based upon the commissionable policy premium received. An agent will not apply a service charge to an applicant for the completion of an application. Commissions as outlined above must be an agent's only remuneration.

Note 1: No commissions are payable on any Florida Hurricane Catastrophe Fund Premium Recoupment Surcharge, Florida Insurance Guaranty Association (FIGA) surcharge, the two dollar (\$2) Emergency Management Preparedness & Assistance Trust Fund Surcharge (EMPA), the Citizens Policyholder Surcharge, the Citizens Emergency Assessment, the Tax-Exempt Surcharge, and other charges as may be provided for by Florida Statute.

Note 2: No commissions are payable on any Florida Hurricane Catastrophe Fund Cash Build-up premiums.

Note 3: In the event any policy premiums are CHARGED OFF, commission will only be paid on collected earned premiums.

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RULE 118. POLICY CHANGES

If insurance is increased or reduced, the additional or return premium will be computed on a pro-rata basis. All policy change requests and required documents must be submitted to Citizens within five (5) business days from the effective date of the change. All changes are made using the rules and rates in effect at the inception of the policy or latest subsequent renewal date thereafter.

- **Sinkhole Coverage** may only be added at new business or renewal. Coverage may be removed at any time.
- **HO-8 Loss Settlement Options** (ACV and RC) may only be selected at new business or renewal.
- **Hurricane Deductible Options** may only be amended effective at the normal policy renewal date.

Exception: If a lower hurricane deductible is requested and the policy has sustained a hurricane loss in the current calendar year, the lower deductible will not become effective until January 1 of the following calendar year.

A policy may not be canceled and rewritten to circumvent these restrictions.

RULE 120. PREMIUM & PAYMENT OPTIONS

A. WAIVER OF PREMIUM

Additional or return premiums of five dollars (\$5) or less will be waived. Citizens will return premium due if requested by the insured.

B. MINIMUM PREMIUM

The minimum policy premium applicable to all policy forms is fifty dollars (\$50). Note: The Tax-Exempt Surcharge will be applied in addition to the minimum premium.

C. ROUNDING OF PREMIUMS

1. Each premium shown on the policy and endorsements will be rounded to the nearest whole dollar. A premium of fifty cents (\$.50) or more will be rounded to the next higher whole dollar. In no event will premium calculations for any coverage be less than one whole dollar (\$1).
2. For all policy cancellations, round the policy return premium to the next higher whole dollar.

D. METHOD OF PAYMENT

Citizens accepts only the following methods of payment:

1. Full Payment Plan

100% of the total policy premium is due by the effective date or the issue date of the policy, whichever is later.

2. Quarterly Payment Plan

- a. 40% of the total policy premium (plus \$3 installment fee and a \$10 one time service fee) due by the effective date of the policy or the date of issuance, whichever is later.
- b. 20% of the total policy premium (plus \$3 installment fee) due 3 months after the policy effective date.
- c. 20% of the total policy premium (plus \$3 installment fee) due 6 months after the policy effective date.
- d. 20% of the total policy premium (plus \$3 installment fee) due 9 months after the policy effective date.

3. Semi Annual Payment Plan

- a. 60% of the total policy premium (plus \$3 installment fee and a \$10 one time service fee) due by the effective date of the policy or the date of issuance, whichever is later.
- b. 40% of the total policy premium (plus \$3 installment fee) due 6 months after the policy effective date.

Lienholders, Mortgagees (e.g. escrow) and Premium Finance Companies are not eligible for the Quarterly or Semi Annual payment plans.

RULE 122. MANUAL PREMIUM REVISION

A manual premium revision will be made in accordance with the following procedures: The effective date of such revision will be as announced. The revision will apply to any policy or endorsement in the manner described in the announcement of the revision. Unless otherwise provided at the time of the announcement of the premium revision, the revision will not affect in-force policy forms, endorsements or premiums, until the policy is renewed.

RULE 124. CANCELLATIONS AND NONRENEWALS

If insurance is canceled, the additional or return premium will be computed on a pro-rata basis, subject to the minimum premium requirement. Citizens will disregard February 29 in leap years when determining pro-rata earned premiums.

With respect to any residential policy covering a risk with a dwelling limit of at least \$100,000 and for which a 2% minimum deductible is available, Citizens will not nonrenew such policy for the purpose of reducing hurricane exposure for one (1) renewal period.

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RULE 126. ENDORSEMENTS

ENDORSEMENTS	FORM #
Actual Cash Value Loss Settlement And Exclusion of Ordinance Or Law – (HO-8) This endorsement is mandatory on all CIT HO-8 policies when Actual Cash Value Loss Settlement is selected. It changes loss settlement to actual cash value. The endorsement also excludes Ordinance or Law Coverage.	CIT 04 81
Additional Interests - Residence Premises – (HO-3, HO-4, HO-6, HO-8) Use this form to represent persons or organizations (other than mortgagees) who have an interest in the residence premises.	HO 04 10
Additional Insured - Residence Premises – (HO-3, HO-4, HO-6, HO-8) This endorsement creates an additional “Insured” under Section I coverages A and B and Section II liability coverages E and F, but only with respect to the residence premises.	CIT HO 04 41
Calendar Year Hurricane Deductible This mandatory endorsement describes loss by windstorm during a hurricane and how the hurricane deductible is applied. Use with all policies with wind coverage.	CIT 24
Emergency Water Removal Services – (HO-3) This mandatory endorsement attaches to all Homeowner CIT HO-3 policies. The endorsement allows Citizens, at its option, and with the insured’s consent, to provide a contractor who will provide necessary reasonable emergency water removal services solely to protect covered property under Coverage A or B from further damage.	CIT 04 85
Exclusion of Coverage B - Other Structures Coverage – (HO-3 & HO-8) Use this form to exclude coverage for structures on the residence premises other than the principal building.	CIT 04 12
Managed Repair Contractor Network Program – (HO-3) This mandatory endorsement attaches to all Homeowner CIT HO-3 policies. The endorsement allows Citizens, at its option, and with the insured’s consent, to provide a contractor who will make covered repairs to the dwelling and other structures covered under Coverage A or B, when damage or loss is from a covered peril.	CIT 04 86
No Coverage For Day Care This endorsement details the exclusions and restrictions of the policy with respect to a home day care exposure. Use this endorsement with all Homeowners policies.	CIT 04 96
Ordinance or Law Increased Amount of Coverage – (HO-3, HO-6, HO-8) Use this form to increase Ordinance or Law coverage to 50% of Coverage A	CIT 04 77
Personal Property Replacement Cost – (HO-3, HO-4, HO-6, HO-8) This endorsement replaces actual cash value (ACV) loss settlement on personal property with replacement cost (RC) provisions.	CIT 04 90
Premises Alarm or Fire Protection System – (HO-3, HO-4, HO-6, HO-8) This form is used to acknowledge the installation of a protection system and includes a provision requiring the insured to maintain the system and advise when it is no longer operable.	HO 04 16

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ENDORSEMENTS	CITATION
Sinkhole Loss Coverage – (HO-3 & HO-8) This endorsement provides coverage for structural damage to the principal building caused by sinkhole.	CIT 23 94
Special Provisions – Florida This endorsement is mandatory on all policy types and amends the policy provisions regarding nonrenewal.	CIT HO 01 09
Trust Endorsement – (HO-3, HO-6, HO-8) This endorsement modifies a Homeowners Policy to insure a trustee, and if applicable, a trust: 1. Under Section I – Property Coverages, for any insurable interest in the dwelling or other structure held in trust; and 2. Under Section II – Liability Coverages, for bodily injury or property damage liability arising out of the ownership, maintenance or use of an insured location held in trust.	CIT 06 15
Unit Owners Coverage A - Special Coverage HO-6 – (HO-6) This endorsement replaces named peril causes of loss with open peril causes of loss, with certain exclusions.	CIT 17 32
Unit Owners Rental to Others – (HO-6) This endorsement broadens property and liability coverage to accommodate the rental of the residence premises to others.	CIT 17 33
Windstorm Exterior Paint Exclusion – (HO-3 and HO-8) Use this endorsement with all Homeowners policies in Territories 005, 007, 010, 030, 031, 032, 033, 034, 035, 037, 038, 181, 182, 183, 361 and 362.	CIT 23 70
Windstorm or Hail Exclusion – (HO-3, HO-4, HO-6, HO-8) This endorsement excludes all forms of wind or hail damage.	HO 04 94
Windstorm Protective Devices – (HO-4) This endorsement is mandatory on all HO-4 policies with opening protection credit. It requires policyholders who are receiving opening protection credit to close and secure storm shutters while a hurricane watch or warning is in effect.	CIT 19
Windstorm Protective Devices – (HO-3, HO-8 and HO-6) This endorsement is mandatory on all HO-3, HO-8 and HO-6 policies with Class A Hurricane Impact opening protection credit. It requires policyholders who are receiving this opening protection credit to close and secure storm shutters while a hurricane watch or warning is in effect. If this condition is not met, the loss payment for Coverage A, C and D will be reduced by 15%. In the event of a total loss, the payment will not be reduced by 15%.	CIT 27
Windstorm Protective Devices – (HO-3, HO-8 and HO-6) This endorsement is mandatory on all HO-3, HO-8 and HO-6 policies with Class B Basic Impact opening protection credit. It requires policyholders who are receiving this opening protection credit to close and secure storm shutters while a hurricane watch or warning is in effect. If this condition is not met, the loss payment for Coverage A, C and D will be reduced by 9%. In the event of a total loss, the payment will not be reduced by 9%.	CIT 29

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RULE 200. ELIGIBILITY - STATUTORY

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A. GENERAL

It is a violation of Citizens' rules and the Florida Insurance Code to place a property in Citizens when an authorized insurer known to the agent is willing to write the property at its approved rates, subject to the criteria below.

B. NEW BUSINESS ELIGIBILITY

Property owners are eligible for coverage in Citizens Property Insurance Corporation (Citizens) if:

1. An authorized insurer is not willing to write the risk at its approved rates; **or**
2. The premium for coverage from the authorized insurer is more than 20% greater than the premium for comparable coverage from Citizens; **and**
3. The property owner and property to be insured meet all other applicable underwriting criteria.

Note: If an offer of comparable coverage from an authorized insurer is no more than 20% greater than the premium for comparable coverage from Citizens and the offer is not accepted, the risk is not eligible for coverage with Citizens for the length of the policy term of the coverage offered.

C. RENEWAL ELIGIBILITY

All personal lines renewal policies will be submitted for coverage through Citizens' clearinghouse program in order to facilitate obtaining an offer of coverage from an authorized insurer before renewing coverage with Citizens. If a comparable offer of coverage that is equal to or less than Citizens' renewal premium is received for a policyholder at renewal from an authorized insurer, the risk is not eligible with Citizens for the length of the policy term of the coverage offered.

If, within 36 months of placement with an authorized insurer through Citizens' clearinghouse, an applicant previously declared ineligible for coverage at renewal becomes subject to a rate increase in excess of that allowed by the statutory rate cap applicable to Citizens, then the risk is eligible with Citizens subject to all new business underwriting rules.

Exception: A risk would be ineligible if an authorized insurer offers comparable coverage at a premium equal to or less than Citizens' premium.

D. DEPOPULATION REQUIREMENTS

Florida law provides that a Citizens' policy may be taken out, assumed, or removed, and replaced with a policy issued by an authorized insurer that provides coverage that may not be identical to that provided by Citizens.

RULE 202. ELIGIBILITY - UNDERWRITING

FL OFFICE OF INSURANCE REGULATION

A. OWNERSHIP/OCCUPANCY

1. FORMS HO-3 & HO-8 - A Homeowners Policy may be issued:
 - a. To the owner-occupant of a dwelling which is used exclusively for private residential purposes and contains not more than 2 families and with not more than 2 boarders or roomers per family; or
 - b. To the purchaser-occupant who has entered into a long-term installment contract for the purchase of the dwelling and who occupies the dwelling but to whom title does not pass from the seller until all the terms of the installment contract have been satisfied. The seller retains title until completion of the payments and in no way acts as a mortgagee. The seller's interest in the building and premises liability may be covered using Endorsement **CIT HO 04 41** - Additional Insured; or
 - c. To the occupant of a dwelling under a life estate arrangement. The owner's interest in the building and premises liability may be covered using Endorsement **CIT HO 04 41** - Additional Insured; or
 - d. When a 2-family dwelling (duplex) is occupied by co-owners, each occupying distinct living quarters with separate entrances. Given these circumstances, a Homeowners Policy providing building coverage may be issued to only one of the co-owner occupants of the dwelling. The policy may be endorsed to cover the interest of the other co-owner in the building and for premises liability. A separate HO-4 Homeowners Policy may be issued to the co-owner occupying the other apartment in the dwelling.
 - e. A separate policy may be issued in the name of the insured homeowner to cover a second habitational structure on the same property; in no event will more than two policies be issued for property at the same residence premises. Structures rented to others are eligible for dwelling policy types only.
 - f. No Homeowners Policy form may be issued in the name of a corporation, partnership, LLC or association. Limited coverage may be provided under the Dwelling Program or Wind-only program.
 - g. Form HO-8 Only – Additional Eligibility Requirements
 - (1) The risk must meet all current HO-3 underwriting eligibility guidelines.
 - (2) The dwelling to be insured must be older than 50 years of age.
 - (3) Both the calculated Replacement Cost and the Coverage A amount of the dwelling must be \$200,000 or less.

Exception: Dwelling age and \$200,000 Coverage A requirements are waived if written on this policy form solely due to underwriting considerations.
 - h. The Homeowners Policy may be extended, without additional premium charge, to cover the interest of a non-occupant joint owner in the building and for premises liability. Use Endorsement **CIT HO 04 41** - Additional Insured.

APPROVED

Date Received: 7/12/2017 Date Of Action: 10/3/2017

FL OFFICE OF INSURANCE REGULATION

2. FORM HO-4 - A Tenant Homeowners Policy may be issued to:
 - a. The tenant (non-owner) of a dwelling or an apartment situated in any building; or
 - b. The owner-occupant of a dwelling, cooperative unit or of a building containing an apartment not otherwise eligible for a Homeowners Policy under Rating Rule 202.A. above, provided the residence premises occupied by the insured is used exclusively for residential purposes and is not occupied by more than one additional family or more than 2 boarders or roomers
3. FORM HO-6 - A Unit Owners Homeowners Policy may be issued to the owner(s) of a condominium or cooperative unit which is used exclusively for residential purposes, and is not occupied by more than one additional family or more than two boarders or roomers.
4. Subject to all other sections of this rule, a Homeowners Policy may be issued to cover a seasonal dwelling.
5. A Homeowners Policy will not be issued to cover any property located on a farm, ranch, orchard or grove. Refer to Citizens Dwelling Policy Program Manual for applicable coverage.

B. RESIDENCE HELD IN TRUST – ALL FORMS EXCEPT HO-4

A Homeowners Policy may be issued to an occupant of a one or two family dwelling or a condominium or cooperative unit when legal title to the dwelling or unit is held in trust and:

1. One of the occupants of the dwelling or unit is the grantor/settlor of the trust;
2. The residence held in trust is used exclusively for residential purposes; and
3. No trustee of the trust is:
 - a. A partnership or joint venture;
 - b. A corporation;
 - c. A limited liability company;
 - d. An organization other than a partnership or joint venture, a corporation or a limited liability company.

Coverage

A Homeowners Policy may be endorsed to insure a trustee, and if applicable, a trust:

1. Under Section I – Property Coverages, for any insurable interest in the dwelling or other structure held in trust; and
2. Under Section II – Liability Coverages, for bodily injury or property damage liability arising out of the ownership, maintenance or use of an insured location held in trust.

No premium adjustment is required.

Note 1: A trust cannot be listed as a named insured

Note 2: Trustees that are corporations, partnerships, or LLCs may be eligible for Dwelling policies without liability

Note 3: Required document: **CIT Trust Cert** – Certification of Trust which will provide important details regarding the trust

Endorsement

Use Trust Endorsement **CIT 06 15**; select “Trustee/Trust” from the additional interest drop-down menu.

APPROVED

Date Received: 4/3/2019 Date Of Action: 04/11/2019

FL OFFICE OF INSURANCE REGULATION

C. FLOOD INSURANCE REQUIREMENTS

Insureds with properties in Special Flood Hazard Areas, as defined by the National Flood Insurance Program (NFIP) (e.g. A, AO, AH, A1-A30, AE, A99, V, V1-V30, VE) must maintain a flood policy unless the applicant or insured signs the “Policyholder Affirmation Regarding Flood Insurance” (**CIT FW01**) form, or an exception in this rule applies.

1. Policyholder Affirmation Regarding Flood Insurance

Securing flood insurance is not a condition of coverage if the applicant or insured sign form **CIT FW01**. If the applicant or insured is located in a Special Flood Hazard Area and does not meet Citizens’ coverage requirements listed below or does not obtain a flood policy, this form is required. An applicant or insured who does not maintain a flood policy, or does not sign the **CIT FW01** form, may be denied Citizens coverage.

2. Coverage Requirements

If form **CIT FW01** is not completed, or the property does not meet an exception, the insured must maintain a flood policy in effect, subject to the maximum limits available from NFIP, as follows:

- a. With building limits not less than 80% of the Citizens building limits, or
- b. Where NFIP issues an Actual Cash Value (ACV) policy, not less than 80% of the building ACV, and
- c. With contents limits in any amount, if Citizens contents coverage exists.

3. Exceptions:

- a. Tenant named insured or unit-owner above ground floor. However, if building coverage is provided by an Apartment or Condominium Association master policy, building coverage is not required.
- b. Policies with “windstorm or hail” coverage excluded.
- c. Certain risks (e.g., cooperative unit within cooperative building, gazebo, contents located in a building not eligible for flood coverage under the NFIP “Ineligible Property” rule and the NFIP “Examples of Ineligible Risks” rule) will not be required to obtain a flood policy. Please indicate this occurrence on the application with a “N/E” (Not Eligible).

4. Notes:

- a. A “Difference in Condition” (DIC) policy may not be substituted for the flood policy requirement.
- b. If a flood application is pending due to a waiting period, the risk is eligible for Citizens coverage if otherwise eligible. This may be indicated in the appropriate section of the application with the words “Applied For.” The policy number must be provided to Citizens as soon as issued to avoid cancellation.

APPROVED

Date Received: Date Of Action:
6/2/2017 06/7/2017

FL OFFICE OF INSURANCE REGULATION

D. SINKHOLE (HO-3 & HO-8 NEW BUSINESS)

1. Uninsurable Risks

A property that has unrepaired or un-remediated damage due to sinkhole loss activity is ineligible for coverage with Citizens.

2. Risks with Prior Sinkhole Loss

Properties with prior sinkhole loss that has been remediated/repared must be submitted unbound, without sinkhole loss coverage. If sinkhole loss coverage is requested, see requirements in Rule 204 A. If sinkhole loss coverage is not requested, the application with required documentation will be reviewed by Underwriting to verify repairs. Submission requirements for properties with prior damage from sinkhole loss activity are explained in Rule 204 A.

Note: If documentation of repair of prior sinkhole loss is incomplete or unavailable, the property is not eligible for coverage in the homeowners program. The application may be submitted for consideration for a DP-1 policy without sinkhole loss coverage.

3. Sinkhole Exposure

Applications for properties meeting either of the criteria below may be submitted bound for all perils except sinkhole loss, provided the property meets all other underwriting requirements. If sinkhole loss coverage is requested, a separate request for sinkhole loss coverage must be made by completing a Sinkhole Loss Coverage New Business Request using form **CIT SLC-NB** and submitting the request unbound to Citizens prior to the effective date of the policy. A sinkhole inspection must also be submitted with the request for sinkhole loss coverage.

- a. The house or property at the address to be insured for sinkhole loss shows signs of settlement or cracking of the walls, floor or foundation; or
- b. The property to be insured is located in Alachua, Citrus, Hamilton, Hernando, Hillsborough, Lake, Manatee, Marion, Pasco, Pinellas, Polk, Seminole, Sumter, Suwannee, Wakulla, or Washington counties.

4. Inspection Requirements

If a property is subject to either of the conditions in 3 above, a sinkhole inspection is required before Citizens will consider adding sinkhole loss coverage. The Sinkhole Inspection must be performed by a Citizens-approved inspection service. The applicant will be responsible for paying one-half of an inspection fee in the amount negotiated by Citizens. Citizens will pay the other half. Both parties will receive a copy of the inspection. The fee is not refundable, regardless of Citizens' underwriting decision.

5. Renewal Requests

A request to add Sinkhole Loss Coverage at renewal must be received by Citizens prior to the renewal effective date if either of the conditions under 3 above apply. A sinkhole inspection will be conducted as described in 4 above and, if the request is approved, Sinkhole Loss Coverage will be added to the policy at renewal. If a sinkhole inspection determines there is unrepaired damage due to sinkhole loss activity the policy will be non-renewed. Use form **CITS LC-R** to request coverage.

APPROVED

Date Received: 1/4/2017 Date Of Action: 01/24/2017

FL OFFICE OF INSURANCE REGULATION

RULE 204. RISKS TO BE SUBMITTED UNBOUND

Any property that exhibits any of the following risk characteristics must be submitted with reverse angle photographs and documentation that would allow Citizens to evaluate eligibility for coverage. The agent is not authorized to bind coverage or collect payment until coverage is approved by Citizens.

A. SINKHOLE LOSS COVERAGE

Sinkhole binding requirements are applicable to all policy types except HO-4. For HO-6, the 4-point inspection and the sinkhole inspection are not required. The separate request for sinkhole loss coverage is not applicable to HO-6. If underwriting determines alternate repairs are acceptable, an HO-6 policy may be bound.

1. Sinkhole Exposure

An application for coverage for a property that meets any of the following criteria must be submitted unbound whether sinkhole loss coverage is requested or not. If sinkhole loss coverage is requested, the applicant/insured must submit a separate request for sinkhole loss coverage using form **CIT SLC-NB**. The request for sinkhole loss coverage must also be submitted to Citizens unbound. A sinkhole inspection is required as described in Rule 202 C. 4. Underwriting will review the inspection and determine whether the property is eligible for sinkhole loss coverage.

- a. The house or property at the address to be insured for sinkhole loss shows any signs of sinkhole activity such as shifting or bulging of a foundation, wall or roof; or
- b. The house or property at the address to be insured for sinkhole loss has had a sinkhole investigation, ground study, structural evaluation and/or sinkhole inspection performed due to a sinkhole claim or for any reason other than an inspection to request sinkhole insurance for the property; or
- c. Sinkhole-related repairs have been made to the home and/or property to be insured for sinkhole loss.

2. Sinkhole Loss

If the property to be insured has ever sustained a loss due to sinkhole activity or has had a sinkhole investigation performed by a professional engineer, documentation of repairs must be submitted with the application, whether sinkhole loss coverage is requested or not.

Proof of repairs as described below, a 4 point inspection completed within 90 days of the effective date of the policy, and comprehensive photos of the interior and exterior walls and foundation must be included with the application submission, whether sinkhole loss coverage is requested or not.

APPROVED

Date Received: 07/15/2021 Date Of Action: 07/29/2021

FL OFFICE OF INSURANCE REGULATION

a. Original Engineer's Recommended Repairs

If the property has experienced damage or loss from sinkhole activity, and a sinkhole investigation has been performed by a professional engineer, the following documentation must be submitted for underwriting review to determine if Sinkhole Loss coverage may be bound:

- (1) The professional engineer's investigative findings report (e.g. Testing Report) if performed; and
- (2) Scope of completed repairs; and
- (3) Proof that the recommended repairs were made

If the documentation confirms repairs were made in accordance with the insurer's original engineer's report, the property is eligible for coverage including sinkhole loss coverage, provided all other underwriting requirements are met.

b. Alternate Repairs

If the property has been repaired, but not in accordance with the engineering recommendations upon which any payment or policy proceeds were based, the applicant must provide certification from a professional engineer stating that the alternate repairs resulted in the following:

- (1) The insured location has been repaired;
- (2) The insured location has been stabilized; and
- (3) There is no evidence of structural damage to the building, including the foundation, at the insured location

If the documentation confirms alternate repairs were made in accordance with an engineer's report and there is no evidence of structural damage to the building or foundation, the property is eligible for coverage excluding sinkhole loss coverage (HO-3 & HO-8 only) provided all other underwriting requirements are met.

c. Sinkhole Loss/Repair Documentation Unavailable

If documentation of prior sinkhole activity or loss is incomplete or unavailable, the property is not eligible for coverage in the homeowners program. The only policy that may be available is the DP-1 excluding sinkhole loss coverage. A 4 point inspection completed within 90 days of the effective date of the policy, and comprehensive photos of the interior and exterior walls and foundation must be included with the application submission. Underwriting may require a sinkhole inspection of the property.

B. HIGH VALUE RISKS

Applicable to risks located in wind only eligible areas

1. HO-4: Risks with Coverage C limit > \$500,000 up to the maximum policy limit must be submitted for approval with documentation supporting the requested amount.
2. HO-6: Risks with combined Coverage A and Coverage C limit > \$750,000 up to the maximum policy limit must be submitted for approval with documentation supporting the requested amount.

C. EXISTING DAMAGE

Any risk that has existing damage must be submitted for approval with the following documentation:

1. A description of damage
2. Photos of the existing damage
3. Acceptable documentation reflecting when the repairs will be completed.

D. OLDER ROOFS

Risks with roofs older than 25 years (shingle or other type) or 50 years (tile, slate, clay, concrete, or metal) must be submitted for approval with documentation showing at least 3 years remaining useful life. Acceptable documentation includes a copy of a completed roofing contract; a statement from a licensed roofing contractor showing estimated age, condition and remaining useful life; a completed Citizens Roof Condition Certification form; or other acceptable proof of remaining useful life.

E. COASTAL CONSTRUCTION CONTROL LINE (CCCL) / COASTAL BARRIER RESOURCES SYSTEM (CBRS)

Major structures* identified by Citizens' geographical mapping tool as possibly located within the CCCL or CBRS that are:

1. Newly constructed; or
2. Rebuilt, repaired, restored or remodeled to increase the total square footage of finished area by more than 25%;

for which an application for permit is applied after July 1, 2015, must be submitted unbound. Underwriting will review to make a determination as to eligibility.

*Including, but not limited to houses, mobile homes and condominiums.

F. EXCESSIVE LOSS FREQUENCY (AS ADDRESSED IN RULE 206)

If requesting: HO-3, HO-4, HO-6:

- 3 or more losses in 36 months (excluding acts of God), or
- 2 or more non-weather water losses in 36 months, or
- 3 or more non-weather water losses in 60 months,

If requesting HO-8:

- 3 or more losses in 36 months (excluding acts of God),

Immediately preceeding the inception date must be submitted for approval with documentation showing the underlying cause has been remediated.

"Remediated" means replacement of the system or appliance, or substantially corrected, such that a similar future loss can be reasonably avoided. Acceptable documentation includes photos, sales receipts, completed contractors work order stamped paid, building permits indicating completion of work, etc.

RULE 206. ADDITIONAL UNDERWRITING REQUIREMENTS

FL OFFICE OF INSURANCE REGULATION

Applies to New and Renewal business unless otherwise noted

A. LOSS FREQUENCY

For applicants who have sustained:

- a. 3 or more losses (excluding acts of God) within 36 months, or;
- b. 2 or more non-weather water-related losses within 36 months, or;
- c. 3 or more non-weather water-related losses within 60 months;

immediately preceding the effective date or subsequent renewal, the only policy that may be available is Dwelling Fire Form DP-1.

- If loss history falls under a. above, the only policy available is a DP-1
- If loss history falls under b. or c. above, a Homeowners form HO-8 may be available; owner occupied risks will not be eligible for a DP-1 policy form if otherwise eligible for an HO-8
- If eligible for a Homeowners form HO-8 under this rule, the HO-8 limits on age and Coverage a do not apply

Note: Exceptions may be considered if the underlying cause of loss is remediated. These risks must be submitted unbound.

“Remediated” means replacement of the system or appliance, or substantially corrected, such that a similar loss can be reasonably avoided. Acceptable documentation includes photos, sales receipts, completed contractors work order stamped paid, building permits indicating completion of work, etc.

B. PROPERTY OVER 20 YEARS OLD (NEW BUSINESS ONLY)

Properties over 20 years old are required to submit a four-point inspection with the application, completed within the last year by a verifiable, certified inspector. The inspection must verify the home’s electrical wiring, heating, plumbing and roofing are in acceptable condition (not applicable to tenant named insured and unit owner risks). If an inspection indicates unacceptable conditions, the policy is not eligible for coverage. Unacceptable conditions include polybutylene pipes, electrical service less than 100 amps, and all uninsurable characteristics provided in the Uninsurable Properties rule.

C. LENDER-PLACED POLICY AS PROOF OF PRIOR INSURANCE (NEW BUSINESS ONLY)

Properties with Lender-Placed coverage as evidence of prior insurance within the last 45 days are required to submit a four-point inspection with the application, completed within 10 days prior to the effective date of the policy by a verifiable, certified inspector. The inspection must verify the home’s electrical wiring, heating, plumbing and roofing are in acceptable condition (not applicable to tenant named insured and unit owner risks). If an inspection indicates unacceptable conditions as provided in the Uninsurable Properties Rule, the policy is not eligible for coverage.

D. POOLS AND SIMILAR STRUCTURES

Properties with pools and similar structures must be completely fenced, walled or screened.

Note: Fence or wall must be a permanent installation with a minimum height of 4 feet and be constructed of material that provides a reasonable barrier to entry as determined by Citizens (e.g. chain link, wood, steel, aluminum).

Exception: Properties not meeting these requirements may be eligible for a Dwelling Policy without Liability

APPROVED

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FL OFFICE OF INSURANCE REGULATION

RULE 208. UNINSURABLE PROPERTIES

Applies to New and Renewal business unless otherwise noted. The following risks may not be insured in Citizens Personal Lines. DO NOT SUBMIT:

A. OCCUPANCY/USAGE

1. **Vacant Or Unoccupied Property** - Vacant or unoccupied dwellings including those with personal property contained therein if they are no longer a place of usual return.

Exception: A new purchase expected to be owner-occupied within 30 days (from policy inception) may be bound. (Indicate expected move-in date in “Remarks” section of application.) If beyond 30 days, the application must be submitted unbound for prior approval including an explanation for the delay and any loss control measures taken.

2. **Seasonal Home** - A seasonal home (home with continuous unoccupancy of 3 or more consecutive months during any 1 year period) unless the home is located in a “secured area” (limited access with locked gates or guards) or the home has a functioning central station fire and burglar alarm and documentation acceptable to Citizens is provided.
3. **Short Term Rental** - Properties rented to guests more than three times in a calendar year for periods of less than 30 days or one calendar month, whichever is less, or that are held out to the public as places regularly rented to guests.

4. **Business Exposure** - Properties where a business is conducted. Two salient elements to help identify a “business” include: (1) a profit motive and (2) continuity of the activity.

Examples of uninsurable businesses include, but are not limited to: all manufacturing, retail sales when customer traffic is common, bed & breakfast operations, nursing homes, adult care living facilities, produce stands, “u-pick-it” produce operations, kennels, and repair work including auto or appliance repair.

Exception: Incidental offices, schools or studios meaning offices for business or professional purposes and private schools or studios for music, dance, photography and other instructional purposes.

5. **Commercial Property** - Commercial property including properties that are eligible for coverage in Citizens’ Commercial or Commercial-Residential Program

6. Residential Family Day Care

a. Eligible – Including Personal Liability

- (1) Registered or Licensed - Family Day Care Homes registered in Florida or licensed in Counties requiring licensure are eligible for a Homeowners Policy including Personal Liability coverage.
- (2) Registration or License Not Required - Family Day Care Homes not required by law to be registered and/or licensed are eligible for a Homeowners Policy or a Dwelling Fire Policy including Personal Liability coverage.

b. Eligible – Not Including Personal Liability

A separate unattached dwelling or mobile home used for residential purposes which is located on the residence premises where a day care business is located, may be insured under the Dwelling Fire Program excluding Personal Liability. All other non-residential buildings or structures located at the “described location” used in the day care business are ineligible for coverage.

c. Ineligible

- (1) Operating In Violation of Law - Home Day Care operations not registered where required by Florida law or not licensed in counties that require licensure, are ineligible for any coverage.
- (2) Commercial Operation - Any child care operation not included within the provisions of this rule.

d. Definition – Family Day Care Home

“Family Day Care Home” means an occupied residence in which child care is regularly provided for children for more than one unrelated family and which receives a payment, fee, or grant for any of the children receiving care, whether or not operated for profit.

A Family Day Care Home will be allowed to provide care for only one of the four following groups of children, which includes those children under 13 years of age who are related to the caregiver:

- (1) A maximum of 4 children from birth to 1 year old.
- (2) A maximum of 3 children from birth to 1 year old, and other children, for a maximum total of 6 children.
- (3) A maximum of 6 preschool children if all are older than 1 year old.
- (4) A maximum of 10 children if no more than five are preschool age and of those five, no more than 2 are under 1 year old.

e. “No Coverage For Home Day Care Business” mandatory exclusion endorsement, CIT 04 96 applies.

f. If Personal Liability Coverage is provided under Paragraph A, a copy of a Certificate of Insurance to Citizens from the insurer providing Commercial Liability on the Family Day Care Home at limits equal to or greater than Citizens Personal Liability limits of liability is required.

- g. A copy of the Florida Department of Children & Families “Family Child Care Home Certificate of License” if required to be licensed by the State of Florida, or a copy of the Child Care License issued by the County, if required to be licensed by the County. (Only a copy of the Florida License or County License is required.) The following counties currently require licensure: Dade, Broward, Palm Beach, Hillsborough, Pinellas, Sarasota and Marion. This listing is for informational purposes only and is subject to change without notice. To confirm registration and/or licensing requirements, contact the Florida Department of Children & Families for a current listing.
- 7. **Farm or Ranch** - Dwellings located on a farm, ranch, orchard or grove; or where farming activities or ranching operations take place.
Exception: Dwellings used for residential purposes when farming or ranching is incidental, may be eligible for a Dwelling Policy excluding Liability (see Dwelling Manual).
- 8. **Non-Habitational Property** - Dwellings used, designed or constructed for non-habitational purposes
- 9. **Fraternity Or Sorority House** - Fraternity, sorority or any similar housing arrangement

B. LOCATION

- 1. **Property Constructed Over Water** - Any “Principal Building” or “Other Structure” constructed partially or entirely over water. **Note:** Ineligible structures do not include piers and docks
- 2. **Property Built On Landfill/Refuse** - Properties built on landfills previously used for refuse
- 3. **Inaccessible Property** - Properties not readily accessible year round to fire department equipment (e.g. isolated property including barrier islands not connected to the mainland by a road). **Exception:** Barrier Islands with a responding fire station located on the island.
- 4. **CCCL/CBRS – Coastal Construction Control Line / Coastal Barrier Resources System**

Any major structure*, as defined by Florida statute, located seaward of the Coastal Construction Control Line or within the Coastal Barrier Resources System that is:

- a. Newly constructed; or
- b. Rebuilt, repaired, restored or remodeled to increase the total square footage of finished area by more than 25%;

for which an application for a permit is applied after July 1, 2015.

*Including, but not limited to houses, mobile homes and condominiums

APPROVED

Date Received: 09/26/2019 Date Of Action: 10/08/2019

FL OFFICE OF INSURANCE REGULATION

C. STRUCTURE

1. **Condemned Property** - Property that is condemned or scheduled to be condemned
2. **Property In Disrepair** - Property in a state of disrepair
3. **Property with Existing Damage** - Properties with existing damage for which acceptable documentation reflecting when the repairs will be completed has not been submitted for review (Refer to Risks to Be Submitted Unbound).
4. **Coverage Limits – Minimum/Maximum** - Properties for which Coverage A or Coverage C is either below or above the acceptable limits, including:
 - a. Dwelling replacement cost amounts or any requested coverage amount that exceed Citizens' maximum coverage limits that are established by law, or
 - b. In-force policies that will, at renewal, exceed Citizens' maximum coverage limits established by law due to the annual application of inflation-based replacement cost calculations.
5. **Replacement Cost/Market Value Ratio** - Properties with Replacement Cost exceeding 1 ½ times the market value, excluding land values.
6. **Heating, Electrical and Plumbing**
 - a. Properties with heating systems that are not in good working order; or properties with a portable heater or open flame as a primary source of heat (e.g. electric, oil or kerosene portable space heater; gas heater; or any device utilizing an open flame). **Exception:** Permanent and factory or professionally installed central gas fireplaces or wood burning stove heat systems
 - b. Properties with any potentially hazardous electrical conditions, knob & tube or aluminum branch circuit wiring. **Exception:** If aluminum branch circuit wiring has been remediated using a method acceptable to Citizens:
 - (1) The home has been rewired completely with copper wiring; or
 - (2) All aluminum-to-copper connections (e.g., light fixtures, fan fixtures, outlets and switches) have been repaired via the COPALUM crimp method; or
 - (3) All aluminum-to-copper connections (e.g., light fixtures, fan fixtures, outlets and switches) have been repaired via the AlumiConn connector methodCitizens requires all aluminum branch circuit wire connections to the service panel be inspected and repaired as necessary to ensure no corrosion/oxidation is present and all connections are tight.
 - c. Properties with electrical service less than 60 amps (renewal business only; see Additional Underwriting Requirements for new business). **Exception:** If approved by a Florida licensed electrician, licensed journeyman electrician, or municipal building inspector within the last five (5) years.
 - d. Properties showing signs of leaks or unrepaired water damage; properties where plumbing is not in good working order.

7. Roof Age and Condition

Applies to new business and renewal unless otherwise noted. Not applicable to HO-4 or HO-6 risks.

a. Roof Covering Age

- (1) Shingle, built up tar and gravel, or other roof coverings that are over 25 years old and tile, slate, clay, concrete or metal roof coverings that are over 50 years old must be replaced / updated to be eligible for coverage (see Remaining Useful Life exception below). “Roof replacement” and “Roof update” means 100% replacement of the roof surfacing material.
- (2) Documentation of full roof replacement must be submitted with the application or prior to the policy renewal in which the roof covering exceeds the maximum age requirements outlined in the following table. Acceptable documentation of replacement includes an approved building permit indicating completed work, an electronic record of such a permit from the applicable jurisdiction’s website, or other proof of completed work such as a detailed work invoice indicating the work was completed and paid in full.

Roof Eligibility	
Roof Covering	Age
Asphalt, Fiberglass, Composition, or Wood Shake Shingles; Built up Tar and Gravel; or Other Roof Covering types Not Included Below	Over 25 Years Not Insurable
Tile, Slate, Clay, Concrete or Metal	Over 50 Years Not Insurable

(3) Remaining Useful Life Exception

- a) Risks that do not meet the roof replacement eligibility requirements above may be eligible for coverage by submitting acceptable documentation verifying the roof has at least 3 years remaining useful life (Refer to Risks to Be Submitted Unbound).
- b) “Remaining useful life” is the remaining life expectancy of the roof covering to function as intended based upon an inspection of the wear and tear, decay, deterioration, decline, or defect, present from natural, climatic, construction, or other local conditions.
- c) Acceptable documentation includes a copy of a completed roofing contract; a statement from a licensed roofing contractor, general contractor or home inspector showing estimated age, condition and remaining useful life, a completed Citizens Roof Inspection form, or other acceptable proof of remaining useful life.
- d) Risks that establish roof eligibility under this exception are not required to provide documentation of full roof replacement until the policy renewal period in which the remaining useful life of the roof covering falls below the 3 year eligibility threshold.
- e) Renewal Business Only

During the policy period in which remaining useful life falls at or below the 3 year threshold, continuation of coverage may be considered:

- i. With acceptable evidence of complete replacement of the roof surfacing material; or
- ii. With a new roof inspection reflecting 3 or more years remaining useful life.
- iii. Citizens may conduct inspections to assure compliance with underwriting eligibility.

APPROVED

Date Received: 09/03/2021 Date Of Action: 09/08/2021

FL OFFICE OF INSURANCE REGULATION

b. Roof Condition

The following are unacceptable conditions, regardless of roof age:

- (1) Roofs that are damaged, have visible signs of leaks, have multiple patched areas (including spot replacement of shingles) or a single patched area exceeding 25% of the surface area; or
- (2) exhibit excessive granular loss, missing, lifting, buckling, curling or cracked shingles or tiles; or
- (3) missing, loose, or damaged flashing; or
- (4) extreme surface rust, missing or rusted fasteners, extensive algae, moss or lichen growth; or
- (5) Less than 3 years remaining useful life. Evidence of any of the unacceptable conditions in (1) through (4) above will deem the roof as having less than 3 years remaining useful life.

c. If evidence of replacement or roof age is not available, and the roof does not exhibit any of the unacceptable conditions in (1) through (4) above, a roof inspection may be conducted to determine condition and remaining useful life.

d. Citizens may conduct inspections to assure compliance with underwriting eligibility.

8. **Homemade/Rebuilt Property** - Dwellings or structures that are homemade or rebuilt, or any dwelling constructed with extensive remodeling. **Exception:** If approved by local government building or zoning department or a certificate of occupancy has been issued (documentation required).
9. **Sinkhole** - Any risk in which the insured location, including the residence premises, other structures, and grounds to be insured has ever experienced a Sinkhole loss, and fails to repair/remediate the property. Refer to the “Eligibility Underwriting - Sinkhole” or the “Risks to be Submitted Unbound - Sinkhole” rule.
10. **WBDR - Opening Protection** - Properties (HO-3) with an insured value of \$750,000 or more and located in the wind-borne debris region without opening protection as required by the Florida Building Code for that area. A mitigation affidavit/form must be completed and signed by a qualified inspector in order to provide evidence of eligibility.
11. **Excessive, Unusual or Extra-Hazardous Exposure** - Property with excessive, unusual or extra-hazardous property exposure, (e.g. excessive cracking in the foundation, walls or roof, slab cracks, out of level foundations, flooring, walls and/or roof, unexplained depressions, active sinkholes or depressions on the premises, or unrepaired sinkhole damage). **Note:** The property may be eligible for a policy that does not include coverage for sinkhole. The application must be submitted unbound for underwriting consideration.
12. **Dwelling in the Course of Construction** - Property under construction. **Exception:** Dwelling under renovation will be permitted if the dwelling will be occupied throughout the entire renovation period.
13. **Property Deemed Unsafe/Structurally Deficient** – Properties determined by any State, County or Local Municipality to be unsafe for continued occupancy, or if substantial structural deficiencies are identified.

D. LIABILITY

Excessive, Unusual or Extra-Hazardous Exposure - Property with excessive, unusual or extra-hazardous liability exposure, (e.g. empty in-ground pools, skateboard or bicycle ramps, trampolines, vicious or exotic animals kept on premises). **Note:** The property may be eligible for a Dwelling Fire Policy excluding Liability coverage. The application must be submitted unbound for underwriting consideration.

E. APPLICANT

1. **Material Misrepresentation, Insurance Fraud or Arson** - Applicant canceled or non-renewed for material misrepresentation in the past seven (7) years or insurance fraud in the past fifteen (15) years or convicted of arson in the past twenty-five (25) years.
2. **Multiple Mortgages** - Property with four or more mortgages when the additional mortgagees are not government backed loan programs such as FHA, VA, Fannie Mae, Freddie Mac, etc.
3. **Prior Policy Term** - Property for which the most recent prior coverage was issued for less than a full annual term. These risks remain uninsurable for a period of 6 months from the prior coverage expiration date.

RULE 210. INSPECTIONS

An inspection requiring interior and exterior access may be conducted on any property insured by Citizens. Inspection information can verify wind-resistive features, risk characteristics, and/or general eligibility for coverage.

Exception:

A property is not subject to re-inspection to verify wind-resistive features if the uniform mitigation verification form submitted to Citizens was completed by an authorized mitigation inspector and reviewed by an approved quality assurance program before submission of the form to the corporation. This exception does not apply if there is a material change to the structure during the term stated on the form. Refer to Citizens' website for a list of authorized mitigation inspection companies.

Citizens may require copies of inspections required by any State, County or Local Municipality conducted for the purpose of determining safety for continued occupancy, or to identify substantial structural deficiencies.

Failure to respond to inspection requests or refusal to allow an inspection will result in one of the following:

- Removal of wind-mitigation credits if the inspection is intended to validate wind-mitigation features. Credits are removed back to the inception date for new business policies and at the subsequent renewal for existing policies.
- Cancellation or non-renewal if the inspection is intended to validate eligibility for coverage.

Cancellations and non-renewals are processed in compliance with statutory requirements and policy provisions.

RULE 212. LOSS HISTORY & CREDIT REPORTS

Loss history reports are used as a part of Citizens' underwriting process to substantiate information provided on the application. Applies to New Business only.

Credit reports (except loss history reports) are not used in the underwriting process to evaluate risk. A policy that has been in effect for more than 90 days will not:

- be cancelled or otherwise terminated; or
- have a claim submitted by the insured, denied

based on credit information available in public records

APPROVED

Date Received: 8/3/2018 Date Of Action: 08/14/2018

RULE 214. CONSTRUCTION DEFINITIONS & SINGLE BUILDING DEFINITION FL OFFICE OF INSURANCE REGULATION

A. CONSTRUCTION DEFINITIONS

1. **Frame** — exterior walls of wood or other combustible construction, including wood ironclad, stucco on wood, aluminum, vinyl/plastic siding over frame, or plaster on combustible supports.
2. **Masonry Veneer** — exterior walls of combustible construction veneered with brick or stone.
3. **Masonry** — exterior walls constructed of masonry materials such as adobe, brick, concrete gypsum block, hollow concrete block, stone, tile or similar materials and floors and roof of combustible construction (disregarding floors resting directly on the ground.)
4. **Superior Construction**
 - a. Non-Combustible — exterior walls, floors and roof constructed of, and supported by metal, asbestos, gypsum, or other non-combustible materials.
 - b. Masonry Non-Combustible — exterior walls constructed of masonry materials (as described in 3. above) and floors and roof of metal or other noncombustible materials.
 - c. Fire Resistive — exterior walls, floors and roof constructed of masonry or other fire resistive materials.

Note: Mixed (Masonry/Frame) — a combination of both frame and masonry construction will be classed and coded as frame when the exterior walls of frame construction (including gables) exceed 33- 1/3% of the total exterior wall area; otherwise class and code as masonry.

B. SINGLE BUILDING DEFINITION

1. All buildings or sections of buildings that are accessible through unprotected openings are considered as a single building.
2. Buildings that are separated by space are considered separate buildings.
3. Buildings or sections of buildings that are separated by:
 - a. A six (6)-inch reinforced concrete or an eight (8)-inch masonry party wall; or
 - b. A documented minimum two (2) hour non-combustible wall that has been laboratory tested for independent structural integrity under fire conditions; that pierces or rises to the underside of the roof and that pierces or extends to the inner side of the exterior wall are considered separate buildings.
4. Accessibility between buildings with independent walls or through masonry party walls described in C1 and C2 above must be protected by at least a Class A Fire Door installed in a masonry wall section.

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FL OFFICE OF INSURANCE REGULATION

RULE 216. SECONDARY RESIDENCE PREMISES

Homeowners coverage on a secondary residence premises must be provided under a separate policy.

RULE 218. TRANSFER OR ASSIGNMENT

Transfers or assignments are not available. New applications are required.

APPROVED

Date Received: 1/4/2017 Date Of Action: 01/24/2017

FL OFFICE OF INSURANCE REGULATION

RULE 300. INDIVIDUAL RISK CHARACTERISTICS, DISCOUNTS, & SURCHARGES

A. PROTECTION CLASS & CONSTRUCTION TYPE

1. Determine the Protection Class and Construction Type applicable to the risk being insured. City, Town, or Fire District Protection Class listings are provided on the Citizens website.
2. From the Protection Class and Construction Type Rate Factor tables determine the applicable rate factor for each individual peril. Then apply the rate factors to the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

Note: Protection Class and Construction Type rates do not apply to the Liability/Medical INDIVIDUAL PERIL PREMIUM.

B. TOWNHOUSE OR ROWHOUSE (HO-3 & HO-8 ONLY)

1. Determine the Townhouse or Rowhouse rating factor applicable to the risk being insured. The factor is dependent on the protection class and the number of individual family units within the fire division.

Note: A Fire Division is a dwelling separated by an 8-inch masonry or 6-inch reinforced concrete wall without openings. If the roof is combustible or metal, the common walls between the units must contain a parapet wall extending at least thirty (30) inches above the roof. Additionally, if the exterior walls are not masonry, the parapet wall must pierce the exterior side walls. The 30" requirement is not applicable to exterior walls.

2. From the Townhouse or Rowhouse Rate Factor Tables determine the applicable rate factor for each individual peril. Then apply the rate factors to the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

C. PROTECTIVE DEVICE DISCOUNTS

Certain burglar alarms, fire alarms and sprinkler systems in a dwelling will be recognized for a reduced premium.

1. Burglar Alarm – Central Station Reporting
 - a. A credit factor applies to all professionally installed functioning central station systems.
 - b. To apply credit for a qualified burglar alarm, the applicable rate factors are used in the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

2. Fire Alarm – Central Station Reporting

- a. A credit factor applies to all professionally installed functioning central station reporting fire alarm systems.
- b. To apply credit for a qualified fire alarm the applicable rate factors are applied to the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

3. Automatic Sprinkler Systems

- a. Class A: A credit factor applies to all functioning automatic sprinkler systems professionally installed in accordance with nationally accepted fire sprinkler design standards. The automatic sprinklers must be in all areas except that attics, bathrooms, closets and attached structure areas may be protected by fire detectors in lieu of sprinklers.
- b. Class B: A credit factor applies to all functioning automatic sprinkler systems professionally installed in accordance with nationally accepted fire sprinkler design standards. The automatic sprinklers must be in all areas including attics, bathrooms, closets and attached structure areas.
- c. To apply credit for a qualified automatic sprinkler system, determine if the system qualifies as a Class A or B. Select the applicable rate factor from the tables. Then apply the appropriate rate factor to the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

Note: When both a qualified fire alarm and qualified sprinkler system are present, ONLY the combined fire alarm and automated sprinkler system rate factors should be applied to the INDIVIDUAL PERIL PREMIUM.

4. Required Documentation

For burglar and fire alarms, a legible copy of the certificate of installation that includes a monitoring agreement or a current legible copy (not more than one (1) year old) of the monitoring subscription agreement is required.

For fire sprinkler systems, a copy of the certificate of installation from a sprinkler contractor licensed per Florida Statute is required. The sprinkler contractor must hold either a Class I, II, or IV license and must certify that the installation substantially complies with National Fire Protection Association (NFPA) sprinkler standard 13, 13D or 13R. Alternatively, documentation that the building has been specifically rated by the ISO will suffice.

5. Endorsement - Use Endorsement HO 04 16 "Premises Alarm or Fire Protection System".

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D. AGE OF HOME/YEAR BUILT

Applies to HO-3 & HO-8 Only. All risks insured on a Homeowners Form are subject to an Age of Home / Year Built premium adjustment.

1. For the Hurricane and Other Wind INDIVIDUAL PERIL PREMIUMS the age of home rate factor is applied based on the year built as provided in the Age of Home / Year Built rate table.
2. For all of the other INDIVIDUAL PERIL PREMIUMS, the age of home rate factor is determined by subtracting the year built from the policy effective year. The rate factor applies to the year during which the construction of the house was completed, regardless of the date of first occupancy.
3. Premium Determination - To apply the Age of Home / Year Built factor, determine the appropriate rate factor on the Age of Home / Year Built rate table. Then apply the rate factors to the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

E. SEASONAL PROPERTY

1. **Definition** - A seasonal property is a dwelling with continuous unoccupancy of three (3) or more consecutive months during any one (1) year period. A dwelling with continuous unoccupancy of more than six (6) consecutive months during any one (1) year period is subject to a surcharge.
2. **Premium Determination** - From the Seasonal Property Rate Factor table determine the applicable rate factor. Then apply the rate factors to the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

F. NO PRIOR INSURANCE SURCHARGE

Applicants without proof of prior insurance, new purchase or lease, in effect within 45 days of the Citizens' policy inception date, will be subject to a No Prior Insurance Surcharge:

1. Applicants who have not maintained coverage.
2. Applicants who cannot provide a legible copy of a notice of cancellation or non-renewal, or other conclusive documentation demonstrating prior insurance was in force.
3. Applicants who cannot provide proof of new purchase or new lease. Acceptable documentation includes: a legible copy of purchase agreement, good faith estimate, closing papers, deed or similar documents.

This surcharge will remain in effect for one year from the policy effective date to which this surcharge applies. Any lapse, or short term coverage, during the compliance period will cause the mandatory surcharge period to begin anew.

To apply the No Prior Insurance Surcharge, apply the applicable rate factors to the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

RULE 302. DEDUCTIBLES

All policies are subject to a deductible that applies to losses from Section I perils. Deductible factors do not apply to the peril of Liability/Medical. For forms HO-3 and HO-8, a separate 10% deductible (of Coverage A) applies to the peril of Sinkhole when optional sinkhole coverage is selected. The deductible is factored into the base rate. Do not apply any deductible factor to the peril of Sinkhole Loss when calculating the Individual Peril Premium.

C. WIND COVERAGE INCLUDED

1. Base Deductible
 - a. \$1,000 All Other Perils Deductible
 - b. 2% Hurricane Deductible (Minimum \$500)
2. Deductible Options
 - a. AOP: \$500, \$1000, \$2500
 - b. Hurricane: \$500, 2%, 5%, 10%
3. Endorsement

Calendar Year Hurricane Deductible – Florida endorsement **CIT 24** is mandatory when Wind coverage is provided.
4. Hurricane Deductible Changes - Hurricane deductible options may only be amended effective at the normal policy renewal date. **Exception:** If a lower hurricane deductible is requested and the policy has sustained a hurricane loss in the current calendar year, the lower deductible will not become effective until January 1 of the following calendar year. A policy may not be rewritten to circumvent these restrictions.

D. WIND COVERAGE EXCLUDED (X-WIND)

1. Base Deductible
 - a. \$1000 All Other Perils Deductible
 - b. Hurricane Deductible: No Coverage
2. AOP Deductible Options: \$500, \$1000, \$2500

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FL OFFICE OF INSURANCE REGULATION

RULE 304. WINDSTORM MITIGATION FEATURES

For policies that cover the peril of Windstorm or Hail, a premium credit may be available if one or more of the following loss mitigation features or construction techniques exists:

1. Roof Covering;
2. Roof Deck Attachment;
3. Roof to Wall Connection / Attachment;
4. Opening Protection;
5. Roof Shape / Geometry; or
6. Secondary Water Resistance

The credit recognition and description of the loss mitigation features listed above are described in the Loss Mitigation Credits Table. **Note:** For townhouse or rowhouse, use 1 to 4 unit tables regardless of number of units in the building.

A. PROOF OF COMPLIANCE

1. Citizens requires proof to substantiate the existence of loss mitigation features displayed in the Loss Mitigation Credit table. Photographs of the entire roof may be submitted as proof of hip shape if the photographs can accurately verify the primary roof shape is hip with no other roof shapes greater than 10% of the total roof perimeter.
2. Mitigation affidavits/verification forms are available on Citizens' website to verify mitigation features and obtain additional premium credits. The applicant/insured is responsible for the expense associated with the use of these forms or any other costs for substantiating the existence of the mitigation features.

Note: The OIR-B1-1802 verification form is valid for five years provided no material changes have been made to the structure. Prior versions of the OIR-B1-1802 form are acceptable provided the form was completed for the applicant/insured within the past five years using the form that was approved for use at that time. Policyholders are not required to submit a new OIR-B1-1802 form due solely to a change or update to the form in order to continue receiving credits.

3. Citizens' policy administration system will return the least amount of premium credit based on the applicable mitigation features displayed in the Loss Mitigation Credit tables if the loss mitigation feature(s):
 - a. is unknown; or
 - b. cannot be verified; or
 - c. is not substantiated by a mitigation affidavit/verification form.

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4. Exceptions to use of forms listed above:

- a. **Year built on or after January 1, 2002** - Structures built on or after January 1, 2002, are eligible for the minimum FBC 2001 credit by providing documentation that validates the year of construction. Acceptable documents include: certification of occupancy, copy of property appraisal or any other document Citizens deems acceptable. Completion of mitigation affidavits/forms are not required to receive the minimum FBC 2001 credit. Additional credits may be obtained by completing mitigation verification affidavits/forms available on our website.
- b. **Year built on or after January 1, 2012 (Applies to HO-3 and HO-8 only)** – Structures built on or after January 1, 2012, are eligible for the minimum FBC 2012 credit by providing documentation that validates the year of construction. Acceptable documents include: certification of occupancy, copy of property appraisal or any other document Citizens deems acceptable. Completion of mitigation affidavits/forms are not required to receive the minimum FBC 2012 credit. Additional credits may be obtained by completing mitigation verification affidavits/forms available on our website.
- c. **Year built 2002 or later (Dade and Broward County ONLY)** - Type II and Type III structures built on or after January 1, 2002 in Dade or Broward County are eligible for Opening Protection Class A credit by providing documentation that validates the year of construction. Acceptable documents include certification of occupancy, copy of property appraisal or any other document Citizens deems acceptable. Completion of mitigation affidavits/forms is not required to receive this Class A credit. Type I buildings are not eligible for this exception and must submit a mitigation affidavit/verification form.

B. WIND DESIGN – 1 TO 4 UNITS BUILT ON OR AFTER JANUARY 1, 2002

FBC 2001 establishes base (i.e., minimum) Wind Design Speeds (WDS) for each FBC Wind Speed zone. When WDS of the structure (1-4 unit buildings built on or after January 1, 2002) exceeds the basic speed design of the wind speed zone, certification is required for premium credit.

Note: For year built on or after January 1, 2002, Dade and Broward counties do not require WDS certification as county WDS develops maximum WDS premium credit. (SWR and opening protection still requires an affidavit/form).

C. RESIDENTIAL CLASSIFICATION DEFINITIONS:

1. **Terrain Exposure Category Definitions** - Apply Exposure Category (terrain) definitions from the Florida Building Code as follows:
 - a. **Exposure C** – (open terrain with scattered obstructions) applies to:
 - (1) All locations in HVHZ (Miami-Dade and Broward Counties)
 - (2) Barrier islands as defined per Florida Statutes, as the land area from the seasonal high water line to a line 5,000 feet landward from the Coastal Construction Control line.
 - (3) All other areas within 1,500 feet of the coastal construction control line, or within 1,500 feet of the mean high tide line, whichever is less.
 - b. **Exposure B** – applies to all locations other than Exposure C.

2. Building Types (applies to 5+ units only)

- a. Type I – Buildings that are 3 stories or less.
- b. Type II – Buildings that are 4 to 6 stories.
- c. Type III – Buildings that are 7 stories or more.

3. Roof Covering

- a. For 1 to 4 unit buildings and 5+ unit – Type I buildings:

- (1) FBC Equivalent – All roof coverings meet the minimum requirements of the 2001 Florida Building Code or the 1994 South Florida Building Code (for the HVHZ only) and have an FBC or Miami-Dade product approval that is/was current at the time of installation
- (2) Non-FBC Equivalent – One or more roof coverings do not meet the FBC Equivalent definition requirements
- (3) Reinforced Concrete Roof Deck – A roof structure composed of cast-in-place or pre-cast structural concrete designed to be self-supporting and integrally attached to wall/support system

- b. For 5+ unit – Type II and Type III buildings:

- (1) Level B (FBC Equivalent) – Single-ply, modified bitumen, sprayed polyurethane foam, metal, tile, built-up, asphalt shingle or rolled roofing, or any other roof covering membranes/products that at a minimum meet the 2001 or later Florida Building Code or the 1994 South Florida Building Code and have a Miami-Dade NOA or FBC 2001 Product Approval listing that is/was current at the time of installation.

All mechanical equipment must be adequately tied to the roof deck to resist overturning and sliding during high winds. Any flat roof covering with flashing or coping must be mechanically attached to the structure with face fasteners (no clip/cleat systems), and asphalt roof coverings on flat roofs must be 10 years old or less.

- (2) Level A (Non FBC Equivalent) – All roof cover types and configurations that do not meet Level B

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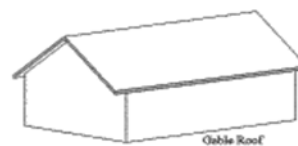
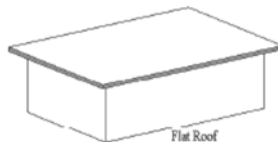
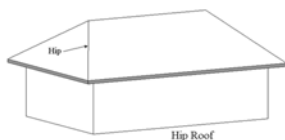
4. Roof Shape/Geometry

a. For 1 to 4 unit – Type I Buildings:

- (1) Hip Roof – Hip roof with no other roof shapes greater than 10% of the total roof system perimeter
- (2) Other – (Non-Hip Roof) – Any roof that does not qualify as hip.

b. 5 + Unit – Type I Buildings:

- (1) Hip Roof – Hip roof with no other roof shapes greater than 10% of the total roof system perimeter
- (2) Flat Roof – A roof on a building with 5 or more units where at least 90% of the main roof area has a roof slope of less than 2:12
- (3) Gable Roof – A gable roof or any roof that does not qualify as hip or flat above



5. Roof Deck Attachment

a. For 1 to 4 unit buildings and 5+ unit – Type I buildings:

(1) Attachment A

- a) Plywood/OSB roof sheathing attached to the roof truss/rafter (spaced a maximum of 24" o.c.) by staples or 6d nails spaced at 6" along the edge and 12" in the field; **OR**
- b) Batten decking supporting wood shakes or wood shingles; **OR**
- c) Any system of screws, nails, adhesives, other roof deck fastening system or truss/rafter spacing that has an equivalent mean uplift less than that required for Attachment B or Attachment C below

(2) Attachment B

- a) Plywood/OSB roof sheathing with a minimum thickness of 7/16" attached to the roof truss/rafter (spaced a maximum of 24" o.c.) by 8d common nails spaced at a maximum of 12" in the field; **OR**
- b) Any system of screws, nails, adhesives, other roof deck fastening systems, or truss/rafter spacing that is shown to have an equivalent or greater resistance than 8d common nails spaced a maximum of 12" in the field or has a mean uplift resistance of at least 103 psf

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(3) Attachment C

- a) Plywood/OSB roof sheathing with a minimum thickness of 7/16" attached to the roof truss/rafter (spaced a maximum of 24" o.c.) by 8d common nails spaced at a maximum of 6" in the field; **OR**
- b) Dimensional lumber or tongue & groove decking with a minimum of 2 nails per board (or 1 nail per board if each board is equal to or less than 6 inches in width); **OR**
- c) Any system of screws, nails, adhesives, other roof deck fastening system, or truss/rafter spacing that is shown to have an equivalent or greater resistance than 8d common nails spaced at a maximum of 6" in the field or has a mean uplift resistance of at least 182 psf

b. For 5+ unit – Type II and Type III buildings:

(1) Attachment A (Wood or Other)

- a) Roof deck composed of sheets of structural panels (plywood or OSB).
- b) Architectural (non-structural) metal panels that require a solid decking to support weight and loads.
- c) Other roof decks that do not meet Attachment levels B or C.

(2) Attachment B (Metal Deck) - Metal roof deck made of structural panels that span from joist to joist.

(3) Attachment C (Reinforced Concrete Roof Deck) - A roof structure composed of cast-in-place or pre-cast structural concrete designed to be self-supporting and integrally attached to wall/support system.

Note: If roof deck type is unknown, deck should be classified as Attachment A.

6. **Secondary Water Resistance (SWR)** - (Standard underlayments or hot-mopped felts do not qualify as SWR)

a. For 1 to 4 unit buildings and 5+ unit – Type I buildings:

A self-adhering polymer modified bitumen roofing underlayment (thin rubber sheets with peel and stick underside located beneath the roof covering and normal felt underlayment) applied directly to the sheathing or foam adhesive SWR barrier (not foamed on insulation) applied as a supplemental means to protect the building from water intrusion in the event of roof covering loss

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b. For 5+ unit – Type II and Type III buildings:

- (1) For Wood Decks - A self-adhering polymer modified bitumen roofing underlayment (thin rubber sheets with peel and stick underside located beneath the roof covering and normal felt underlayment) applied over all plywood/OSB joints to protect from water intrusion. All secondary water resistance products must be installed per the manufacturer's recommendations. Roofing felt or similar paper based products are not acceptable for secondary water resistance.
- (2) For Metal Decks - Roofing tar is applied to all connections where mechanical fasteners penetrate the metal deck
- (3) For Reinforced Concrete Roof Deck - Not applicable.

7. **Roof to Wall Connection / Attachment**

a. Toe-Nails

- (1) Truss/rafter anchored to top plate of wall using nails driven at an angle through the truss/rafter and attached to the top plate of the wall, **OR**
- (2) Metal connectors that do not meet the minimum requirements for Clips or Single or Double Wraps

Minimum Conditions to Qualify for Clips, Single Wraps or Double Wraps; all visible metal connectors are:

- (1) Secured to truss/rafter with a minimum of three (3) nails, **AND**
- (2) Attached to the wall top plate of the wall framing, or embedded in the bond beam, with less than a ½" gap from the blocking or truss/rafter and blocked no more than 1.5" of the truss/rafter and free of visible severe corrosion.

b. Clips

- (1) Metal connectors that do not wrap over the top of the truss/rafter, **OR**
- (2) Metal connectors with a minimum of 1 strap that wraps over the top of the truss/rafter and does not meet the nail position requirements of Single or Double Wraps but is secured with a minimum of 3 nails

c. Single Wraps - Metal connectors consisting of a single strap that wraps over the top of the truss/rafter and is secured with a minimum of 2 nails on the front side, and a minimum of 1 nail on the opposing side.

d. Double Wraps

- (1) Metal connectors consisting of 2 separate straps that are attached to the wall frame, or embedded in the bond beam, on either side of the truss/rafter where each strap wraps over the top of the truss/rafter and is secured with a minimum of 2 nails on the front side, and a minimum of 1 nail on the opposing side, **OR**
- (2) Metal connectors consisting of a single strap that wraps over the top of the truss/rafter, is secured to the wall on both sides, and is secured to the top plate with a minimum of three nails on each side.

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FL OFFICE OF INSURANCE REGULATION

8. Opening Protection

- a. Class A (Hurricane Impact) – All exterior openings or all glazed exterior openings in buildings (doors, windows, skylights and vents, other than roof ridge, gable, soffit and plumbing vents) must be fully protected with impact resistant coverings (e.g. shutters), impact resistant doors, and/or impact resistant window units that are listed as wind borne debris protection devices in the product approval system of the State of Florida or Miami-Dade County. For buildings located in the HVHZ (High Velocity Hurricane Zone) all exterior openings (glazed and other openings) must be protected with Class A protections. Wind borne debris protection systems must have either a Miami-Dade NOA or FBC product approval denoting “For Use in the HVHZ”. All opening protection devices must meet the following “Cyclic Pressure and Large Missile Impact” standards as appropriate:
- Miami-Dade County Notice of Acceptance (NOA) 201, 202 and 203. (Large Missile - 9 lb.)
 - Florida Building Code Testing Application Standard (TAS) 201, 202 and 203. (Large Missile – 9 lb.)
 - American Society for Testing and Materials (ASTM) E 1886 and ASTM E 1996. (Large Missile – 9lb.)
 - Southern Standards Technical Document (SSTD) 12. (Large Missile – 9 lb.)
 - For Skylights Only: ASTM E 1886/E 1996. (Large Missile - 4.5 lb.)
 - For Garage Doors Only: ANSI/DASMA 115. (Large Missile – 9 lb.)
- b. Class B (Basic Impact) – All exterior openings or all glazed exterior openings in buildings (doors, windows, skylights and vents, other than roof ridge, gable, soffit and plumbing vents) must be fully protected with impact resistant coverings (e.g. shutters), impact resistant doors, and/or impact resistant window units that are listed as wind borne debris protection devices in the product approval system of the State of Florida or Miami-Dade County. All opening protection devices must meet the following “Cyclic Pressure and Large Missile Impact” standards as appropriate:
- ASTM E 1886 and ASTM E 1996. (Large Missile – 4.5 lb.)
 - SSTD 12. (Large Missile – 4 lb. to 8 lb.)
 - For Skylights Only: ASTM E 1886/E 1996 (Large Missile - 2 to 4.5 lb.)
- c. None – All other cases, including unprotected glazed openings.

Refer to Endorsements rule for opening protection requirements

9. FBC Wind Speed

Design wind speed (3 second gust) for site location as determined by the wind speed map in Figure 1606 of the Florida Building Code. Citizens’ policy administration system develops the FBC Wind Speed of the location of structure. Maps of county wind speed zones are found at www.Citizensfla.com.

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10. FBC Wind Design

Wind speed (3 sec gust) for which the structure is designed to withstand according to the Florida Building Code (FBC). FBC establishes basic (i.e., minimum) Wind Design Speeds (WDS) for each FBC Wind Speed zone. When WDS of the structure (i.e. 1-4 unit buildings built on or after January 1, 2002) exceeds the basic speed design, certification is required for premium credit.

Note: Dade and Broward counties do not require certification as county WDS develops maximum WDS premium credit.

D. PREMIUM DETERMINATION

- a. Select the applicable Windstorm Loss Mitigation credit factor from the table.
- b. Apply the credit factors to the hurricane and other wind perils in the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

RULE 306. BUILDING CODE COMPLIANCE (BCEGS)

C. GENERAL

1. The Building Code Effectiveness Grading Schedule (BCEGS) develops a grade of “1” to “10” for a community based on the adequacy of its building code and the effectiveness of its enforcement of that code. Policies that cover the perils of Windstorm or Hail may be eligible for special rating treatment, subject to the criteria in the following paragraphs.
2. In some communities, two BCEGS grades may be assigned. One grade will apply to one and two family dwelling buildings and/or personal property contained in such buildings. The other grade will apply to all other buildings occupied for residential, commercial and/or manufacturing purposes including personal and business property contained therein.
3. The BCEGS grades for a community, and their effective dates, are provided on the Citizens website in the Protection Class/BCEGS section.
4. A Building Code Compliance rating factor does not apply when the peril of Windstorm or Hail is excluded from the policy.

D. COMMUNITY GRADING

1. The BCEGS grade applies to any building that has an original certificate of occupancy/completion dated in the year of the effective date of the community grading or later.
2. If a community is re-graded the factor for the revised grade applies to buildings that have an original certificate of occupancy dated the year of the revised grading or later.

3. If, due to an addition or alteration, the original building is changed to comply with the latest building code, the factor for the community grading applicable at the time the reconstruction is completed will apply to such building.
4. Communities that decline to participate in the BCEGS Program will be identified as not participating and will receive a premium surcharge, unless they qualify for Individual Grading. This surcharge will apply to any building that has an original certificate of occupancy dated in the year of the effective date of the community evaluation that indicates the community as not participating.

C. INDIVIDUAL GRADING

Where buildings have been built in full conformance with the natural hazard mitigation elements of one of the nationally recognized building codes, even though the community grade is greater than “1”, or the community is not participating in the program, exception rating procedures may apply.

Any building may be classified as Grade one “1” for Windstorm/Hail upon certification by a Florida licensed architect or structural engineer, based on an on-site inspection, that such building is in compliance with one of the three nationally recognized building codes with respect to mitigation of the Windstorm and/or Hail hazard. This classification is effective only from the date of the certification.

Any costs associated with this provision are to be paid by the insured.

Note: Submit “Individual Property Certification”, Form **CITIZENS-95**.

D. UNGRADED AND NON-PARTICIPATING RISKS

Buildings that do **not** qualify for Community or Individual Grading are classified as ungraded or non-participating risks. Do **not** classify as Grade “10”.

E. PREMIUM DETERMINATION

1. Select the Building Code Compliance rate factor from the applicable rate table.
2. Apply the rate factor to the hurricane and other wind perils in the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

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RULE 400. OPTIONAL AND ADDITIONAL COVERAGES

A. COVERAGE B OPTIONS (HO-3/HO-8)

The base rates include a Coverage B – Other Structures blanket limit of 10% of the Coverage A limit of liability. Mid-term Coverage B changes are allowed.

Note: Other Structures rented or held for rental are not eligible for Coverage B, unless used solely as a private garage.

Optional Limits

1. The Coverage B blanket limit options are: 2%, 5%, or any 5% increment up to 60% of Coverage A.
2. Coverage B may be excluded. When Coverage B is excluded (0%) use endorsement **CIT 04 12** Exclusion of Coverage B -- Other Structures.
3. Select the appropriate factor from the Coverage B Rate Factors and apply it to the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

B. COVERAGE C OPTIONS

The base rates include a Coverage C, personal property limit of 50% of the Coverage A limit of liability. Mid-term Coverage C changes are allowed.

1. Optional Limits

A Coverage C limit may be selected in an amount not less than 25% or more than 50% of Coverage A. Coverage C may be excluded on new policies or at renewal for existing policies for a premium credit. Any request to exclude contents coverage must be submitted with form **CIT CO-1**.

2. Premium Determination

a. HO-3 and HO-8

- (1) Select the desired Coverage C dollar limit of liability. To determine the percentage, divide this amount by the total Coverage A dollar limit. Round the result to the third decimal place.
- (2) From the appropriate Coverage C Rate Factor Table select the rate factors for the Coverage C percentage that applies. If the desired percentage for Coverage C is not provided on the table, see the Interpolation example on developing the appropriate rate factor for the desired limit of liability.
- (3) Upon determining the Coverage C rate factor for each peril, apply the rate factors to the Individual Peril Premium calculation described in the Total Policy Premium Calculation rule.

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b. HO-4 and HO-6

- (1) Select the desired Coverage C dollar limit of liability.
- (2) From the Coverage C Rate Factor Table select the rate factors for the limit that applies. If the desired limit is not provided on the table, see the Interpolation example on developing the appropriate rate factor for the desired limit.
- (3) Upon determining the Coverage C rate factor for each peril, apply the rate factors to the Individual Peril Premium calculation described in the Total Policy Premium Calculation rule.

C. COVERAGE C REPLACEMENT COST

Replacement Cost coverage is available on all policy types except HO-8 when **CIT 04 81** is attached.

Use endorsement **CIT 04 90** Personal Property Replacement Cost.

When Replacement Cost coverage is selected the applicable rate factors are applied to the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

D. COVERAGE E PERSONAL LIABILITY

Liability coverage is provided by the policy and includes a Medical Payments to Others limit of liability of \$2,000 (each person). The limit of liability for Coverage E (Personal Liability) is \$100,000. No premium adjustment is required. **Note:** To add an additional insured, use endorsement **CIT HO 04 41** Additional Insured – Residence Premises.

E. ORDINANCE OR LAW (HO-3/HO-8)

1. **Basic Limits** – The policy automatically provides a basic limit up to 25% of the Coverage A limit of liability to pay costs necessary to comply with the enforcement of an ordinance or law.
2. **Increased Limit** – Basic limit may be increased to provide up to 50% of the Coverage A limit of liability.
3. **Endorsement** – For increased limits, use endorsement **CIT 04 77** - Ordinance or Law Increased Amount of Coverage. This endorsement is offered for all new policies and at renewal for existing policies. No mid term endorsements will be accepted.
4. **Premium Determination** – Based on the Ordinance or Law coverage limit selected, apply the applicable rate factors to the INDIVIDUAL PERIL PREMIUM calculation described in the Total Policy Premium Calculation rule.

Note: Ordinance or Law Coverage is not available on HO-8 policies when **CIT 04 81** is attached

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F. SINKHOLE LOSS COVERAGE (HO-3/HO-8)

Sinkhole coverage is not provided in the base policy. However, Section I Property Coverage may be endorsed to provide coverage for sinkhole loss.

1. Sinkhole Loss Coverage Endorsement

Subject to appropriate underwriting review, sinkhole loss coverage may be purchased using endorsement Sinkhole Loss Coverage **CIT 23 94**. This endorsement is offered for all new policies and at renewal for existing policies. No mid-term endorsements will be accepted.

2. New Business Endorsement Requirements

Any request to purchase Sinkhole Loss Coverage Endorsement **CIT 23 94** that is submitted separately from the new business application due to sinkhole binding requirements, must be submitted with form **CIT SLC-NB** - Sinkhole Loss Coverage New Business Request.

3. Renewal Endorsement Requirements

Any request to purchase Sinkhole Loss Coverage Endorsement **CIT 23 94** at renewal, must be submitted with form **CIT SLC-R** - Sinkhole Loss Coverage Renewal Request.

4. Premium Determination

Determine the Sinkhole INDIVIDUAL PERIL PREMIUM by multiplying the sinkhole base rate by the applicable rating factors. This process is described in the Total Policy Premium Calculation rule.

When Sinkhole coverage is not selected, the Sinkhole individual peril base rate and individual peril rating factors are not applicable.

5. Deductible

A 10% deductible applies to the peril of Sinkhole. The deductible is factored into the base rate. Do not apply any deductible factor to the peril of Sinkhole Loss when calculating the Individual Peril Premium.

G. LIMITED FUNGI, WET OR DRY ROT, YEAST OR BACTERIA

1. Section I – Property

The policy provides up to **\$10,000*** of coverage to pay for loss to covered real or personal property, owned by an insured, that is damaged by fungi, wet or dry rot, yeast or bacteria on the residence premises. No premium adjustment is required.

***\$5,000 for HO-8**

2. Section II – Liability

The policy provides up to **\$50,000*** of coverage to pay for damages because of bodily injury or property damage involving the inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any fungi, wet or dry rot, yeast or bacteria. No premium adjustment is required.

***25,000 for HO-8.**

H. LOSS ASSESSMENT

1. Residence Premises

- a. The HO-3, HO-8 and HO-6 policies provide \$1,000 of loss assessment coverage for assessments relating to the residence premises. There is no premium adjustment required for this limit of coverage.
- b. The HO-3 and HO-8 limit may not be increased.
- c. The HO-6 loss assessment minimum limit must be \$2000.
- d. The second \$1000 of the \$2000 limit is provided by application of the "\$2000 Premium" charge indicated in the Loss Assessment rate table.

2. Premium Determination

Select the applicable premium from the rate table and apply this premium to the ADDITIONAL COVERAGE OPTIONS AND ENDORSEMENTS premium calculation described in the Total Policy Premium Calculation rule.

I. COVERAGE A DWELLING SPECIAL COVERAGE (HO-6)

Special Coverage – The Section I Perils Insured Against may be broadened to cover additional risks of loss. Use endorsement **CIT 17 32** Unit-Owners Coverage A - Special Coverage. The additional premium is developed as follows:

1. Charge per policy for \$1,000 in basic form: \$2
2. Rate for each additional \$1,000 for Coverage A: \$1
3. Apply the combined premium result from steps A and B above to the ADDITIONAL COVERAGE OPTIONS AND ENDORSEMENTS premium calculation described in the Total Policy Premium Calculation rule.

J. COVERAGE A ADDITIONS & ALTERATIONS & ORDINANCE OR LAW (HO-6)

1. Basic Limits, Coverage A

The policy automatically provides a basic Coverage A Additions and Alterations limit of \$1,000 on a named perils basis and provides up to 25% of the Coverage A limit of liability to pay costs necessary to comply with the enforcement of an ordinance or law. The Coverage A limit may be increased.

2. Increased Limits, Coverage A

The basic Coverage A limit may be increased to provide additional limits of insurance. Increased Coverage A limits are available with a basic (25%) or increased (50%) Ordinance or Law limit of liability.

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3. Premium Determination

a. Unit Owners Increased Coverage A **(with basic ordinance or law limit of liability of 25%):**

(1) Step 1

- a) Multiply the “Theft” Base Rate by the territory factors, protection / construction factors, and the wind mitigation factors used to determine the Individual Peril Premium.
- b) Multiply the “All Other Perils” Base Rate by the territory factors, protection / construction factors, and the wind mitigation factors used to determine the Individual Peril Premium.
- c) Multiply the “Hurricane” Base Rate by the territory factors, protection / construction factors, and the wind mitigation factors used to determine the Individual Peril Premium.
- d) Multiply the “Other Wind” Base Rate by the territory factors, protection / construction factors, and the wind mitigation factors used to determine the Individual Peril Premium.
- e) Sum the results from a. through d. above.
- f) Multiply the result from step e. by 0.040.

(2) Step 2

- a) Subtract 1,000 from the total desired Coverage A amount.
- b) Divide the result by 1,000.

(3) Step 3

- a) Multiply the result of Step 1 by the result of Step 2.
- b) Apply the result to the ADDITIONAL COVERAGE OPTIONS AND ENDORSEMENTS premium calculation described in the Total Policy Premium Calculation Rule.

b. Unit Owners Increased Coverage A **(with increased Ordinance or Law limit of liability of 50%):**

Follow the steps above for calculating Unit Owners increased Coverage A with basic Ordinance or Law limit of liability of 25%, substituting a factor of 0.045 instead of 0.040 in step f.

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K. UNIT REGULARLY RENTED TO OTHERS (HO-6)

1. Form HO-6 provides exclusions for Coverage C - and Section II Liability when the residence premises is regularly rented or held for rental to others. The policy may be endorsed, however, to eliminate these exclusions.
2. The Coverage C minimum limit of liability may not be less than \$6,000.
3. The additional premium is developed by multiplying the Sum of Individual Peril Premiums by 0.25 and rounding the product to the nearest whole dollar.
4. Apply this premium to the ADDITIONAL COVERAGE OPTIONS AND ENDORSEMENTS premium calculation described in the Total Policy Premium Calculation rule.

Use endorsement **CIT 17 33** Unit-Owners Rental to Others

L. WINDSTORM OR HAIL EXCLUSION

The peril of Windstorm or Hail may be excluded. Windstorm or Hail may be excluded on new policies and at renewal for existing policies. No mid-term endorsement requests to add, change or remove this coverage will be accepted. Use endorsement **HO 04 94** Windstorm or Hail Exclusion.

Note: When Windstorm or Hail coverage is excluded, the Hurricane and Other Wind individual peril base rates and individual peril rating factors are not applicable.

Requests to exclude Windstorm or Hail for a property must be submitted with form **CIT WO-1** when the property is not located in a "WIND ONLY" eligible area.