

# **BOLTZ LEGAL**

*Fear No Storm*

Insurance Policy  
Reference Guide



# BOLTZ LEGAL

## General Policy Language Overview:

### Insurance covers sudden & accidental damage

- “Wind-driven rain” is a phrase that all policies exclude
- Covered interior damage(s) are caused by water entering through a “storm created opening”
- Common Exclusions:
  - Wear & Tear
  - Manufacturer Defects
  - “Foot Traffic”
  - Deterioration
  - Mechanical Damage

### HO-3 “Typical” for Most Homes – Must be the insured’s primary residence

- Coverage A: Usually covers main dwelling and attached structures
  - Most policies will not include fences if they are not attached to

the dwelling

- Coverage B: Other Structures (sheds, detached garages)
- Coverage C: Personal Property (furniture, household belongings)
- Coverage D: Loss of Use or Additional Living Expenses (aka loss of use)
- Coverage E: Also used as Additional Living Expenses

### HO-8 Modified Coverage - Usually for older homes

- Includes similar coverages listed in HO-3 policies
- Sometimes covers ACV only
- May have limited coverage for the roof
- Sometimes a “Named Perils Only” policy



## General Policy Language Overview:

### **HW-6 Unit Owners/Condo Owners**

- Coverage A: Usually covers wall covering (i.e. paint/wallpaper) inward and personal property
  - This is NOT required coverage if the Condo Association has a policy covering the building. Because it is NOT required, the limits can be extremely low.

### **DP-1 Rental Properties – NOT for primary residences**

- Includes similar coverages listed in HO-3 policies
- Coverages D and/or E: Important to make sure there is Fair Rental Value and/or Loss of Rental Income Coverages

### **DP-3 Second Homes, Vacation Homes, NOT Primary Residences**

- Includes similar coverages listed in HO-3 policies
- Coverages D and/or E: Important to make sure there is Fair Rental Value and/or Loss of Rental Income Coverages

### **Ordinance and Law & Code Upgrades Coverage**

(helps cover the cost of bringing damaged areas to current building codes)

- Typically listed on the Declarations Page
- Will be a percentage of Coverage A
- 10%, 25%, or 50%

# BOLTZ LEGAL

## General Policy Language Overview:

### Deductibles:

(be aware of the type of loss and date of loss)

- Most policies will include at least two different types of deductibles, hurricanes and “Other Perils” sometimes will include a wind and/or hailstorm deductible.
- Even if the windspeed is no longer hurricane force when it hits the subject property, the hurricane deductible still applies

### ACV – Actual Cash Value and RCV – Replacement Cost Value Policies

- Replacement Cost Value covers the cost to replace or rebuild the damaged property with like-quality items at current market prices
- Actual Cost Value means the policy will pay the replacement cost value **minus** depreciation.
  - Calculation:  $RCV \$xx,xxx - depreciation \$x,xxx = ACV \text{ payment}$
- Depreciation is the loss of value of an item over time. The older the damaged item, the greater the depreciation.
- Usually, on the Declarations Page, there will be a mention of whether the policy covers Replacement Costs (RCV) or not. Often listed on the Checklist of Coverages as well



## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

### **MANDATORY BINDING ARBITRATION**

- Mandatory Mediation as a prerequisite to Arbitration
- BINDING Arbitration Clause - AICC DP PHN CSAU 06 22 or AICC HO3 PHN CSAU 11 21
  - This disallows filing suit
  - No right to appeal
  - Parties each pay 50% of the Arbitration fee

### **ROOF**

- Limitations on Roof Coverage - AICC RWT 01 19
- EXCLUDES coverage of hail damage if the underlayment is not damaged: (“Displacement or removal of roof surface granules that does not result in fracturing, bruising, puncturing, or other damage to the base material or underlying mat;”)
- Roof Surfaces Payment Schedules/Tables/Charts - AICC DP 04 75 11 20
  - Shingle Roof: 10 years old = 73%; 15 years old= 55%, 20 years = 36%; 23+ years = 25%
  - Tile or Metal Roof: 10 years old= 81%; 15 years old= 66%; 20 years = 51%; 24+ years = 40%



# American Integrity

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

### **WATER**

- Limited Water Damage Coverage limit is Usually \$10,000 and is found in form AIC DP LWD 12 18 or AIC LWD 08 18
- Exclusion: Constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor, **that occurs over a period of 14 or more days, whether hidden or not.**

### **MOLD**

- “Fungi”, Mold, Wet or Dry Rot, or Bacteria - usually a \$10,000 limit and is found in form AIC HO3 10 21



# American Traditions

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

### **RIGHT TO REPAIR**

- Our right to repair or replace under the Preferred Vendor Endorsement and our decision to do so, are material parts of this contract and under no circumstances relieves “you” or “us” of our mutual duties and obligations under this contract.

### **ROOF**

- Solar Exclusion will NOT cover for solar panels, solar roofs, and/or solar water heating usually in form HO SPE 09 20

### **WATER**

- Water Damage Exclusion - WDE DO 09 20 and HO 09 SP 07 21
- Water damage exclusion carrier will NOT cover: Caused by constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor; **which occurs over a period of 14 or more days, whether hidden or not...**
- Limited Water Damage Coverage
- The limit is usually \$10,000 and is found in form LWDC HO 09 20

### **MOLD**

- “Fungi”, Mold, Wet or Dry Rot, or Bacteria - usually a \$10,000 limit and is found in form HO 09 SP 07 21

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

### **ROOF**

- Solar Exclusion will NOT cover solar panels, solar roofs, and/or solar water heating if damaged during a hurricane loss - ASI HO 09 SP 12 13

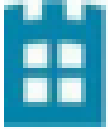
### **WATER**

- Water damage exclusion will NOT cover: Caused by or resulting from constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor, if any of these occurs **over a period of 14 or more days, whether hidden or not.** ASI HO 09 SP 12 13

### **MOLD**

- Limited Fungi, Mold, Wet/Dry Rot The limit is usually \$10,000 and is found in form ASI HO FL LF 01 18





# Castle Key/Allstate

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

Often demands Appraisal

- Either party can make a written demand for appraisal. Must select a “competent impartial appraiser” - AP4688

### ROOF

- Common general exclusions

### WATER

- Water damage exclusion will NOT cover: Seepage, meaning continuous or repeated seepage or leakage **over a period of weeks, months, or years...**

### MOLD

- Mold, Fungus, Wet Rot, and Dry Rot remediation The limit is usually \$10,000 and is found in the “Additional Protection” section



## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

### **RIGHT TO REPAIR**

- Managed Repair Contractor Network Program: At Citizens' option, they may offer to have their contractors perform repairs. - CIT 04 86 02 21
- This program expands the policy limits under certain circumstances

### **ROOF**

- Common general exclusions

### **WATER**

- Water damage exclusion will NOT cover: Caused by constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor, **over a period of weeks, months or years**, unless such seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor and the resulting damage is unknown to all "insureds" and is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure, subject to the \$10,000 limit... - CIT HO-3 02

### **MOLD**

- Mold, Fungus, Wet Rot, and Dry Rot remediation The limit is usually \$10,000 and is found in the "Additional Protection" section



# Cypress Property & Casualty

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

### **RIGHT TO REPAIR**

- Our right to repair or replace under the Preferred Vendor Endorsement and our decision to do so, are material parts of this contract and under no circumstances relieves “you” or “us” of our mutual duties and obligations under this contract. - CPC 412 01 17

### **MATCHING**

- **Limited Matching Coverage** - CPC FL HO 511 06 22
- The total Limited Matching Coverage for Coverages A and B is 1% of the Coverage A limit of liability for repairs or replacements of any undamaged part of the building or its components solely to match repairs made to damage as a result of a covered loss. This limit includes costs for tear out and debris removal. This limit of liability does not increase the Coverage A or Coverage B limits of liability shown on the Declarations page, nor does it apply to damage otherwise limited or excluded in the policy.



# Cypress Property & Casualty

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

### **ROOF**

- Common general exclusions

### **WATER**

- Water damage exclusion will NOT cover: Seepage, meaning continuous or repeated seepage or leakage **over a period of weeks, months, or years...**

### **MOLD**

- Mold, Fungus, Wet Rot, and Dry Rot remediation The limit is usually \$25,000 and is found in the “Additional Protection” section



# Frontline

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

### **RIGHT TO REPAIR**

- At our option, in lieu of issuing any loss payment, we may repair or replace any part of the damaged property with like property.
- Carrier will provide written notice no later than 30 days after receiving your signed sworn proof of loss.
- You must execute all work authorizations to allow contractors and related parties entry to the property.
- You must otherwise cooperate with repairs to the property.

### **ROOF**

- Common general exclusions

### **WATER**

- Water damage exclusion will NOT cover: Repeated seepage or leakage of water or the presence or condensation of humidity, moisture, or vapor, that occurs or **develops over a period of time, whether hidden or not.**
- In the event this exclusion applies, we will not pay for any damages sustained starting from the first day and instant the repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture, or vapor began. - FIM 00  
13 06 21

### **MOLD**

- Limited Fungi, Wat or Dry Rot, or Bacteria Coverage usually either \$10,000 or \$25,000



# Florida Insurance Guarantee Association

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

- Does not operate as a traditional carrier would because they are not an insurance company, they are a receiver for an insolvent carrier
- Does not pay attorney fees, even for pre-December 2022 claims
- Will get a 6-month Stay when a carrier becomes insolvent and enters into receivership



# Security First

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

Has been challenging entitlement to attorney fees even on pre-December 2022 claims

### **RIGHT TO REPAIR**

- At our option, in lieu of issuing any loss payment, we may repair or replace any part of the damaged property with like property.
- Carrier will provide written notice no later than 30 days after receiving your signed sworn proof of loss.
- You must execute all work authorizations to allow contractors and related parties entry to the property.
- You must otherwise cooperate with repairs to the property.

### **ROOF**

- Common general exclusions



# Security First

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

### **WATER**

- Water Deductible - Usually a separate water damage deductible is, however, if the water damage was caused by another covered peril, that other covered peril deductible is applied - SFI FL HO3 WDE 03 20
- Limited Water Damage Coverage Endorsement typical limit is \$10,000 - SFI FL HO3 LWD 05 21 or SFI FL HO3 LWD 06 19 If form SFI FL HO3 LWD 05 21
- Limit for the **annual policy is limited to \$20,000**
- Water damage exclusion as defined within the general policy; carrier will NOT cover: Caused by constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor; **which occurs over a period of 14 or more days, whether hidden or not.** - SFI FL HO3 03 20

### **MOLD**

- Limited Mold/Fungi Coverage The Usual limit is \$10,000 but can be increased to \$25,000 or \$50,000 as additional coverage - HO 03 34 05 03



## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

Took over most St. Johns policies when St. Johns became insolvent

### **MATCHING**

- Matching of Undamaged Property – Special Limit - will repair or replace undamaged property due to mismatch between undamaged material and new material in adjoining areas if repairs or replacement are reasonable SIC MUP 06 22
- Under HO-3 policies, this covers up to 1% of Coverages A and B
- Under HO-6/HW-6 policies, this covers to up 1% of Coverage A

### **ROOF**

- Common general exclusions

### **WATER**

- Water damage exclusion will NOT cover: Constant or repeated seepage or leakage of water or steam **over a period of 14 or more days** from within a plumbing, heating, air conditioning or automatic fire protection sprinkler system or from within a household appliance - SIC DP 09 SP 02 22
- Limited Water Damage Coverage Typically has a \$10,000 limit - SIC LWD 04 22

### **MOLD**

- Limited Fungi, Mold, Wet Rot, Dry Rot, or Bacteria usually a \$10,000 limit to be increased to \$25,000 or \$50,000.



# State Farm

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

Often demands appraisal if coverage has been opened

### APPRAISAL

- If you and we fail to agree on the amount of any loss... **WE (State Farm)** can demand that the amount of the loss be set by appraisal - HO-2228.1C
- Each party must select a “competent, disinterested appraiser”...
- Will hold depreciation and Ordinance & Law from initial appraisal award
- In order to recover depreciation - must provide final invoices that total full RCV award amount
- In order to recover Ordinance & Law - must provide final invoices, certificate of completion and photos showing completed repairs

### ROOF

- Common general exclusions

### WATER

- Special Limit for Water Damage typically has a limit of \$10,000 - HO-2831

### MOLD

- Common general exclusions



# Universal Property & Casualty

## Carrier Specific Policy Language

Endorsements/Exclusions/Limits - Be aware of these types of coverages as they will limit benefits:

Often includes specific “covered perils only” policy which will list specific perils that are covered - UPCIC 905 15 03 18, UPCIC-51 01 98, or DP 00 03 07 88

### **ROOF**

- Common general exclusions

### **WATER**

- Will not cover - Constant Or Repeated Seepage Or Leakage, meaning constant or repeated seepage or leakage of water or steam or the presence or condensation of humidity, moisture or vapor, over a **period of weeks, months or years**. UPCIC HO8 15 05 18, UPCIC HO3 15 05 18

### **MOLD**

- Limited Fungi, Wet or Dry Rot or Bacteria typically has a limit of \$10,000 - UPCIC HO8 15 05 18 or UPCIC HO3 15 05 18

# Fear No Storm



**Brooke Boltz, Esq.**

Phone: 888-boltzlegal

Text: (321) 360-5182

Email: [brookeboltz@boltzlegal.com](mailto:brookeboltz@boltzlegal.com)

Website: [www.boltzlegal.com](http://www.boltzlegal.com)