

CITON Agency, Inc.

THIS IS NOT A BILL



Hurricane Protection Policy Declaration

Policy:P-ZW-0000139-FL

Prepared: August 07, 2008

Named Insured And Mailing Address:

dandy test
1234 south main st
orlando, Florida 32810

Office: Not On File
Cell: Not On File
Home: Not On File

Insured Property:

1234 south main st
orlando, Florida 32810

Building Type: Commercial - Retail Center
Construction Type: ISO3 Non-Combustible
Year Built: 2003 & Later
Number Floors: 1

Policy

Payment Due Date: 07/29/2009
Period:
From: 07/29/2008 To: 07/29/2009
Premium Amount \$299.25
FHCF \$2.99
Policy Fee \$35.00
Subtotal \$337.24
Premium Tax \$16.86
Servicing Fee \$0.30
Total Policy Amount \$354.40

Coverage

Issue Date: 07/29/2008
Coverage Period:
From: 07/29/2008 To: 07/29/2009
Insured Deductible: \$6,650

Primary Insurance

Carrier: state farm
Policy Number / ID: 939384
Deductible: \$6,650
Total Insured Value \$133,000
Renewal Date 07/29/2009

Thank you for allowing us to serve you!

Agency: 1ST CLASS INSURANCE
28870 US HWY 19 SUITE 401
CLEARWATER , Florida 33761
7277962600

Agent:

CITON Agency
3077 East 98th Street, Suite 180
Indianapolis, IN 46240

Hurricane/Wind Deductible Protection Policy

AGREEMENT

In consideration for the premium paid, and compliance with all applicable provisions of this policy, we will, for a term specified from the inception date shown at 12:01 A.M. (Standard time) to the expiration date shown at 11:59 P.M. (Standard time), shown on the Hurricane/Wind Deductible Protection Policy declaration form ("Coverage Declarations"), pay you the Insured Deductible amount shown as the Limit of Liability stated on the Coverage Declarations when you incur a Covered Loss. Payment for such deductibles is limited to no more than two occurrences during the term of this agreement.

This Hurricane/Wind Deductible Protection Policy is intended to supplement your primary property and casualty insurance policy and will Follow Form of your Primary Policy. We will pay for losses incurred by you when the following circumstances occur:

1. Hurricane/Wind event that results in a property loss must be a named storm or numbered event as reported by the National Hurricane Center of the National Weather Service or Property Claims Service ("PCS")
2. Your loss must exceed the Hurricane/Wind deductible set forth in your Primary Policy
3. Your Primary Insurance Carrier must determine that your loss exceeds the Hurricane/Wind Deductible and approve and pay its portion of the loss as set forth in your Primary Policy.

In this policy, "you" and "your" refer to the "named insured" shown in the Coverage Declarations. "We," "us" and "our" refer to the company providing this insurance. In addition, certain words and phrases are defined as follows:

DEFINITIONS

1. **"Hurricane/Wind"** event means a storm system, including Hurricanes, Tropical Storms and Other Windstorms,
2. **"Hurricane"** means a storm system that has been named or numbered by the National Hurricane Center of the National Weather Service or the PCS in the state in which the Insured Property is located, regardless of whether such time period is interrupted or continues commencing and ending as follows:
 - (a) Beginning at the time a storm watch or storm warning is issued by the National Hurricane Center of the National Weather Service for the state in which the Insured Property is located;
 - (b) Continuing for the time period during which the storm conditions exist anywhere in the state in which the Insured Property is located; and
 - (c) Ending 72-hours following the termination of the last storm watch or storm warning issued by the National Hurricane Center of the National Weather Service for the state in which the Insured Property is located.
3. **"Primary Policy"** means the insurance policy providing Hurricane/Wind property and casualty coverage for your Insured Property in full force at the time of the Covered Loss and in an amount equal to the replacement value of your Insured Property.
 - (a) Beginning at the time a storm watch or storm warning is issued by the National Hurricane Center of the National Weather Service for the state in which the Insured Property is located;
 - (b) Continuing for the time period during which the storm conditions exist anywhere in the state in which the Insured Property is located; and
 - (c) Ending 72-hours following the termination of the last storm watch or storm warning issued by the National Hurricane Center of the National Weather Service for the state in which the Insured Property is located.
4. **"Insured Property"** means the premises shown on the Coverage Declarations.
5. **"Insured Deductible"** means the deductible set forth in your Primary Policy for damages caused by a Hurricane/Wind event.
6. **"Policy Period"** means the term specified from the inception date shown at 12:01 A.M. (Standard time) to the expiration date shown at 11:59 P.M. (Standard time), shown on the Coverage Declarations form.
7. **"Other Windstorm"** means wind, wind gusts, tornadoes, or cyclones which result in direct physical loss or damage to property.
8. **"Tropical Storm"** means a storm system that has been declared to be a tropical storm by the National Hurricane Center of the National Weather Service or PCS.
9. **"Covered Loss"** means damages to the Insured Property caused by a Hurricane, Tropical Storm, or Other Windstorm which exceeds the Insured Deductible; provided the deductible for a Hurricane, Tropical Storm or Other Windstorm has a separate and distinct deductible from the 'all other perils' the Primary Policy covers. However, if the deductible set forth in the Primary Policy for Tropical Storms or Other Windstorms is not the same amount or percentage as that for the damages caused by a Hurricane, and as long as the deductible set forth in the Primary Policy for Tropical Storms or Other

Windstorms is not categorized with all other multiple peril coverage, the Covered Loss will be defined by the deductible in the Primary Policy for the Tropical Storm or Other Windstorm.

10. **"Seasonally Adjusted"** means weighting the insurance coverage under this policy more heavily in the hurricane season. For purposes of this weighting, 90% of insurance coverage and the corresponding insurance premium will apply to the period commencing on June 1 and ending on November 30.
11. **"Follow Form"** means this policy is subject to the terms, provisions, exclusions, limitations and conditions contained in your Primary Policy for the Insured Property for the properties listed on the Coverage Declarations unless specifically amended by this policy, subject to any defenses of the Primary Policy.
12. **"Primary Insurance Carrier"** means the company that writes your Primary Policy.

COVERAGE

Subject to the satisfaction and compliance with the CONDITIONS listed below, in the event of a Covered Loss, we will pay you the Limit of Liability stated in the Coverage Declarations. We will reimburse you the entire dollar amount of such Insured Deductible limited to no more than two (2) Covered Losses during the Policy Period, but only to the extent that the Primary Policy also provides for multiple Covered Losses.

BINDING PERIOD

Coverage commences when the policy is bound, with the following exception:

If a Hurricane/Wind event occurs within the first seven days after the date the policy is bound, coverage under this policy does not constitute a Covered Loss. Losses incurred after this seven-day period from the same Hurricane/Wind event would be covered under this policy.

You have fourteen (14) days to remit your scheduled premium. If premium is not received within fourteen days, we will cancel the policy retroactively back to the date of issue resulting in no coverage for the identified property.

CONDITIONS

1. Insured's Duties

- A. You must provide us with written notice of the following changes to the Primary Policy within thirty (30) days of such changes:
 - i. Changes in your Primary Policy coverage amounts;
 - ii. Changes in the Insured Deductible on your Primary Policy;
 - iii. Additions or deletions of coverage to the Insured Property;
 - iv. Change to the insurance company that issues the Primary Policy or changes to the Primary Policy's policy number; or
 - v. Changes in named or additional insureds

We reserve the right to charge you an additional premium in the event any change to the Primary Policy modifies the amount of coverage and/or Limit of Liability under this policy.

Failure to provide us with coverage changes affecting this policy may result in payment of a Covered Loss based upon the Primary Policy information provided to us as such information appears on the Coverage Declarations.
- B. In the event of a loss you must report a claim to us within ninety (90) days from the date of such loss and also provide us with the following at such time that it becomes available:
 - i. A copy of claim settlement documents from the insurance company issuing your Primary Policy demonstrating the amount and application of the Insured Deductible (including an appropriate building schedule if appropriate.); and
 - ii. A copy of the claim settlement check issued to you by the insurance company issuing your Primary Policy.

- C. In the event of a loss you must also take the following steps:
- i. Protect the property from further damage; and
 - ii. Make reasonable and necessary repairs to protect the property; and
 - iii. Keep an accurate record of repair expenses; and
 - iv. Show us the damaged property as often as we reasonably require; and
 - v. Provide us with records and documents we request and permit us to make copies; and
 - vi. Submit to examinations under oath while not in the presence of any other named insured and sign the same.
2. **Policy Period.** This policy applies only to losses which occur during the Policy Period as listed on the Coverage Declarations form of this policy.
3. **Insurable Interest and Limit of Liability.** Even if more than one person has an insurable interest in the property covered, we shall not be liable in any one loss:
- A. For an amount greater than the interest of a person insured under this policy; or
 - B. More than the applicable Limit of Liability;
4. **Concealment or Fraud.** With respect to all persons insured under this policy, we provide no coverage for loss if, whether before, during or after a loss, any one or more persons insured under this policy have:
- A. Intentionally concealed or misrepresented any material fact or circumstance;
 - B. Engaged in fraudulent conduct; or
 - C. Made false statements relating to this insurance.
5. **Loss Payment.** We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable five (5) business days after all CONDITIONS and INSURED'S DUTIES have been satisfied.
- If you name an insurance trustee, we will adjust losses with you, but we will pay the insurance trustee. If we pay the trustee, the payments will satisfy your claims against us.
6. **Our Option.** We reserve the right to independently adjust the damage to your Insured Property based on the evaluation of an adjuster licensed in the state the claim is adjusted in. If we are unable to arrive at a mutually agreeable damage amount, the parties agree to submit the dispute to a mutually agreed-upon arbitrator in the state the loss occurred in. Costs of arbitration, including attorney fees, will be allocated by the arbitrator.
7. **Statutory Provisions.** Any terms of this policy which are in conflict with the statutes of the state wherein the Insured Property is located are amended to conform to such statutes, except that in cases of conflict with applicable Federal law or regulation, such Federal law or regulation shall control the terms of the policy.
8. **Suit Against Us.** No action can be brought against us unless you have complied with the policy provisions and the action is started within five (5) years from the date of the alleged breach.
9. **Cancellation**
- A. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect. Premium paid on this policy is fully earned by the company and not refundable upon cancellation at your election. If however you provide us evidence of the sale of the Insured Property, cancellation of the Primary Policy listed on the Coverage Declarations, we will issue you a refund of unearned premium on a Seasonally-Adjusted pro rata basis within fifteen (15) days of receipt of such evidence.
 - B. We may cancel immediately if there has been a material misstatement or misrepresentation or failure to comply with underwriting requirements established by us.
 - C. We may cancel this policy subject to the following provisions. Provided however that we will let you know of our action at least (a) twenty (20) days before the date cancellation takes effect if your policy has been in effect for less than ninety (90) days or (b) forty-five (45) days if the policy has been in effect for ninety (90) days or more, except as noted in C(i) below.. A written cancellation notice, together with the specific reasons for cancellation, will be delivered to you, or mailed to you at your mailing address shown in the Coverage Declarations:

- i. When you have not paid the premium, we may cancel at any time by letting you know at least ten (10) days before the date cancellation takes effect.
 - ii. We may not cancel on the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the insured has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property.
 - iii. This policy will automatically cancel if the Primary Policy is cancelled and not replaced.
- D. When this policy is cancelled pursuant to C.ii. above, the premium for the period from the date of cancellation to the expiration date will be refunded on a Seasonally-Adjusted pro-rata basis.
- E. Proof of mailing will be sufficient proof of notice of cancellation.

10. **Nonrenewal.** We may elect not to renew this policy.

We may do so by delivering to you or mailing to you at your mailing address shown in the Coverage Declarations, written notice, together with the specific reasons for nonrenewal, at least forty-five (45) days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice of nonrenewal.

11. **Renewal Notification.** If we elect to renew this policy, we will let you know, in writing:

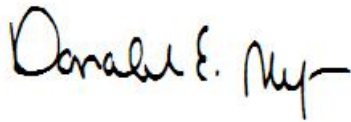
- A. Of our decision to renew this policy; and
- B. The amount of renewal premium payable to us.

This notice will be delivered to you or mailed to you at your mailing address shown in the Coverage Declarations at least forty-five (45) before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

12. **Assignment.** This policy may not be assigned unless we give our written consent.

This policy, with the attached Coverage Declarations, constitutes the entire agreement between you and us. Your payment of the amount specified on the Coverage Declarations constitutes your acceptance of the terms of this policy.

IN WITNESS WHEREOF, Citon Insurance Inc. has executed and attested these presents.



President
Hallmark Specialty Insurance Company

ACKNOWLEDGMENT FORM

Please carefully review the information below and confirm your acknowledgment by signing your name in the space provided at the bottom of this form.

Certain defined terms used in this Acknowledgment Form have the same meaning as specified in your Hurricane/Wind Deductible Protection Policy ("Policy"). Please refer to your Policy for specific definitions.

Acknowledgments

The Company will pay for losses incurred on your Insured Property based on three specific trigger events:

- A Hurricane/Wind event that results in a property loss must be a named or numbered event as reported by the National Hurricane Center of the National Weather Service or Property Claims Service ("PCS")
- The property loss must exceed your Hurricane/Wind deductible in your primary policy
- Your primary insurance carrier must approve and pay its portion of the Covered Loss on the property

You were provided a quote for the cost of coverage on your Insured Property. The quote does not form a binding agreement. Coverage commences only when you agree to the terms of this insurance protection and your Policy is bound. Provided however if a Hurricane/Wind event occurs within the first seven (7) days after the Policy is bound, coverage under this Policy does not constitute a Covered Loss. Losses incurred after this seven-day period from the same named storm would be covered under this Policy.

Your Policy is effective for twelve (12) months from the date of issue. You have fourteen (14) days to remit your scheduled premium. If premium is not received within fourteen days, we will cancel the Policy retroactively back to the date of issue resulting in no coverage for the identified property.

You may cancel the Policy at any time. However, premium received on your Policy is fully earned by the Company, and therefore not refundable unless cancellation is due to the sale of the Insured Property, in which case the Company will issue a refund of premium on a Seasonally-Adjusted pro rata basis.

You are responsible for the completeness and accuracy of information you provide the Company to underwrite this Policy. We can cancel immediately if there has been a material misstatement, misrepresentation, or failure to comply with our established underwriting requirements.

We may cancel coverage for certain reasons outlined in your Policy. If the Company cancels coverage for any reason other than a material misstatement, a misrepresentation of fact, or noncompliance with underwriting requirements, we will issue a refund of premium on a Seasonally-Adjusted pro rata basis.

You further acknowledge that by signing this form, you have access to your Policy, whether provided by your agent, or by contacting the Company at 1-888-317-2544.

THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.

I have read the acknowledgments above and confirm my understanding of this information.

Named Insured

Date

Date:

To:

Insured:

Policy #:

To: All agents placing business with our office in Surplus Lines (Non-Admitted) Carriers.

Re: "Diligent Effort" as required by Florida Statute effective October 1, 1990.

Pursuant to Section 626.914 (4), Florida Statutes, "Diligent Effort" is defined as "seeking coverage from and having been rejected by at least three authorized insurers currently writing this type of coverage and documenting these rejections."

Section 626.916 (1) (a), Florida Statutes, requires that the producing agent make a diligent effort to place a risk with an authorized insurer. The surplus lines agent must verify that a diligent effort has been made by the producing agent by requiring a properly documented affidavit of diligent effort for each risk.

A copy of each affidavit should be maintained in the surplus lines agent and producing agent files for review upon request by the Department of Insurance.

STATEMENT OF DILIGENT EFFORT

I, _____ of _____ state:
Producing Agent (Please Print) Social Security Number
Insurance Agency Name

I have sought to obtain _____
Type of Coverage
for _____ from:
Named Insured

1. _____
Authorized Insurer
Date of Contact Person Contacted Telephone

2. _____
Authorized Insurer
Date of Contact Person Contacted Telephone

3. _____
Authorized Insurer
Date of Contact Person Contacted Telephone

Reasons for declination were:

- 1. _____
- 2. _____
- 3. _____

Date Signature of Producing Agent

Important Notice About The Protection Of Your Privacy

We value your business and the trust you've placed in us. That's why we want to assure you that we are serious about keeping your personal information private before, during and after your business relationship with us. This notice describes our policy regarding the collection and disclosure of personal information.

Collecting Information

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms
- Information about your transactions with us, our affiliates or others
- Information we receive from a consumer reporting agency

Disclosing Information

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

Confidentiality and Security

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Your policy is written on the following company:

Hallmark Speciality Insurance Company