DEPARTMENT OF FINANCIAL SERVICES
Division of Risk Management

State Risk Management Trust Fund

Certificate of Property Coverage

Various provisions in this certificate restrict coverage. Read the entire certificate carefully to determine rights, duties and what is and is not covered.

Coverage for defending and paying claims under this certificate is provided under the authority of Chapter 284, Florida Statutes, wherein the state is authorized to administer a self-insurance program. Provision of this certificate does not constitute the issuance of insurance other than on a self-insurance basis, and payment of any covered claim obligations is contingent upon availability of legislative funding.

Throughout this policy the words "you" and "your" refer to the State Agency, Board, Bureau, or other authorized entity shown in the Declarations. The words "we", "us" and "our" refer to the State Risk Management Trust Fund (the Fund) or any other successor trust fund administered by the Division of Risk Management for the purposes of providing property loss coverage.

Other words and phrases that appear in "quotation marks" have special meaning. Refer to SECTION H - DEFINITIONS.

A. COVERAGE

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property
Covered Property means the following types of property for which a Limit of Insurance is shown in the Declarations:

a. Building, meaning the building or structure described in the Declarations, including:
- **(1)** Completed additions;
- **(2)** Permanently installed:
  - **(a)** Fixtures;
  - **(b)** Machinery; and
  - **(c)** Equipment;
- **(3)** Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
  - **(a)** Fire extinguishing equipment;
  - **(b)** Outdoor furniture;
  - **(c)** Floor coverings; and
  - **(d)** Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- **(4)** If not covered by other insurance:
  - **(a)** Additions, alterations and repairs to the building or structure;
  - **(b)** Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. Your Business Personal Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following:
- **(1)** Furniture and fixtures;

(2) Machinery and equipment;
(3) "Stock";
(4) All other personal property owned by you and used in your agency;
(5) Your improvements and betterments as a tenant. Improvements and betterments are fixtures, alterations, installations or additions:
(a) Made a part of the building or structure you occupy but do not own; and
(b) You acquired or made at your expense but cannot legally remove.

2. Property Not Covered

Covered Property does not include:

a. Accounts, bills, currency, deeds, food stamps or other evidences of debt, money, notes or securities; lottery tickets held for sale are not securities;
b. Animals;
c. Bridges, roadways, walks, patios or other paved surfaces;
d. The cost of excavations, grading, backfilling or filling;
e. Foundations of buildings, structures, machinery or boilers if their foundations are below:
(1) The lowest basement floor; or
(2) The surface of the ground, if there is no basement;
f. Land (including land on which the property is located), water, growing crops, lawns and plants;
g. Business personal property while airborne or waterborne;
h. Personal property not owned by the State of Florida;
i. Pilings, piers, wharves or docks;
j. Property that is covered under another policy, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
k. Retaining walls that are not part of the building.
l. Underground pipes, flues, drains, or electrical and communication wiring;
m. The cost to research, replace or restore the information on valuable papers and records, including those which exist on electronic or magnetic media;
n. Vehicles or self-propelled machines (including aircraft or watercraft) that:
(1) Are licensed for use on public roads; or
(2) Are operated principally away from the described premises;
o. Grain, hay, straw or other crops;
p. Fences, including attached devices, unattached radio or television antennas, including their lead-in wiring, masts or towers (except for towers insured separately as a stand alone structure), signs (other than signs attached to buildings), trees, shrubs or plants, stand alone light poles/fixtures all except as provided in the Coverage Extensions.
q. Fine arts, manuscripts, nitrocellulose films, museum collections, artifacts, relics, bullion;
r. Surplus property
Business Personal Property declared surplus property but stored on the premises are deemed to have no value for the purpose of making claim under this certificate.
s. Buildings that have been abandoned or selected for removal from the premises or selected for demolition.

B. COVERED CAUSES OF LOSS

1. Fire.
2. Lightning,
3. Explosion, including the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass. This cause of loss does not include loss or damage by:
a. Rupture, bursting or operation of pressure relief devices; or
b. Rupture or bursting due to expansion or

swelling of the contents of any building or structure, caused by or resulting from water; or

c. Any loss which would normally be covered only under a standard boiler and machinery policy.

4. **Windstorm or Hail,** but not including:

a. Frost or cold weather;

b. Ice (other than hail), snow or sleet, whether driven by wind or not; or

c. Loss or damage to the interior of any building or structure, or the property inside the building or structure, caused by rain, snow, sand or dust, whether driven by wind or not, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sand or dust enters.

5. **Smoke** causing sudden and accidental loss or damage. This cause of loss does not include smoke from agricultural smudging or industrial operations.

6. **Aircraft or Vehicles**, meaning only physical contact of an aircraft, a spacecraft, a self-propelled missile, a vehicle or an object thrown up by a vehicle with the described property or with the building or structure containing the described property. This cause of loss includes loss or damage by objects falling from aircraft. We will not pay for loss or damage caused by or resulting from owned or non-owned vehicles which are operated by you.

7. **Riot or Civil Commotion,** including:

a. Acts of striking employees while occupying the described premises; and

b. Looting occurring at the time and place of a riot or civil commotion.

8. **Sinkhole Collapse**, meaning loss or damage caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

a. The cost of filling sinkholes; or

b. Sinking or collapse of land into man-made underground cavities.

9. **Flood**

As per Section 284.01, Florida Statutes, this section incorporates the same provisions as the **NATIONAL FLOOD INSURANCE PROGRAM.** That program defines **"Flood"** as:

a. A general and temporary condition of partial or complete inundation of normally dry land areas from:

(1) The overflow of inland or tidal waters.

(2) The unusual and rapid accumulation or runoff of surface waters from any source.

(3) Mudslides (i.e., mudflows), which are proximately caused by flooding as defined in subparagraph **a.(2)** above and are akin to a river of liquid and flowing mud on the surfaces of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.

b. The collapse or subsidence of land along the shore of a lake or other body of water as a result of erosion or undermining caused by waves or currents of water exceeding the anticipated cyclical levels which result in flooding as defined in subparagraph **a.(1)** above.

THIS SECTION DOES NOT CONSTITUTE THE ENTIRE FLOOD POLICY. IT IS MERELY PROVIDED FOR AGENCY GUIDANCE IN THIS AREA ONLY. PLEASE REFER TO THE NATIONAL FLOOD INSURANCE PROGRAM POLICY, WHICH IS ATTACHED TO THIS CERTIFICATE.

10. **Additional Coverages**

a. Debris Removal

(1) We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. We will pay 25% of the loss or $5,000, whichever is greater. The expenses will be paid only if they are reported to us in writing within 90 days

of the date of direct physical loss or damage.

(2) This Additional Coverage does not apply to costs to extract "pollutants".

b. Preservation of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay up to $10,000 for any direct physical loss or damage to that property:

(1) While it is being moved or while temporarily stored at another location; and

(2) Only if the loss or damage occurs within 30 days after the property is first moved.

11. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

a. Newly Acquired or Constructed Property

(1) You may extend the insurance that applies to Building to apply to:

(a) Buildings you acquire at locations, other than the described premises. The most we will pay for loss or damage under this Extension is $250,000 per building.

(2) You may extend the insurance that applies to Your Business Personal Property to apply to that property at any location you acquire. The most we will pay for loss or damage under this Extension is 10% of the Limit of Insurance for your Business Personal Property shown in the Declarations, but not more than $10,000 at each building.

(3) Coverage under this Extension for each newly acquired or constructed property will end when any of the following first occurs:

(a) This policy expires.

(b) 30 days expire after you acquire the property; or

(c) You report values to us.

b. Property Off-Premises

You may extend the insurance provided by the Fund to apply to your Covered Property, other than "stock", that is temporarily at a location you do not own, lease or operate. The Extension does not apply to Covered Property:

(1) In or on a vehicle unless the vehicle is owned or operated by an employee of the State of Florida and the vehicle is being used for State business;

(2) In the care, custody or control of anyone not employed by the State of Florida.

(3) At any fair or exhibition.

The most we will pay for loss or damage under this Extension is $10,000.

c. Trees, Shrubs and Plants

You may extend the coverage provided by the Fund to apply to trees, shrubs and plants including debris removal expense, caused by or resulting from any of the following causes of loss:

(1) Fire;

(2) Lightning;

(3) Explosion;

(4) Riot or Civil Commotion; or

(5) Aircraft.

The most we will pay for loss or damage under this Extension is $1,000, but not more than $250 for any one tree, shrub or plant.

Each of these Extensions is additional insurance.

C. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Ordinance or Law

The enforcement of any ordinance or law:

(1) Regulating the construction, use or repair of any property; or

(2) Requiring the tearing down of any property including the cost of removing its debris.

b. Earth Movement

(1) Any earth movement (other than sinkhole collapse), such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting. But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.

(2) Volcanic eruption, explosion or effusion. But if loss or damage by fire, breakage of glass or volcanic action results, we will pay for that resulting loss or damage.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the property would normally be covered under this certificate.

d. Nuclear Hazard

Nuclear reactors or the use, storage, or processing of nuclear fissionable materials. This exclusion as to nuclear properties or related reactors shall not be construed to eliminate the necessity of coverage on medical facilities, particle accelerators, cyclotrons, Van de Graff machines, or any properties associated therewith. If loss or damage by fire results, we will pay for that resulting loss or damage.

e. Off-Premises Services

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises.

f. War and Military Action

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

(1) Water that backs up from a sewer, drain, or sump

(2) Water under the ground surface pressing on, or flowing or seeping through:

(a) Foundations, walls, floors or paved surfaces;

(b) Basements, whether paved or not; or

(c) Doors, windows or other openings.

But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.

(3) Water damage meaning accidental discharge or leaking of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

2. We will not pay for loss or damage caused by or resulting from:

a. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires. But if loss or damage by fire results, we will pay for that resulting loss or damage.

b. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if loss or damage by fire or combustion explosion results, we will pay for that resulting loss or damage.

c. Mechanical breakdown, including

rupture or bursting caused by centrifugal force. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

D. LIMITS OF COVERAGE

Coverage is not limited in any one occurrence or to the reported values shown in the Declarations, except for flood.

1. For loss or damage sustained due to **FLOOD** the following special limits apply in accordance with the **NATIONAL FLOOD INSURANCE PROGRAM:**

- **a. Building:**
  - **(1)** Residential $250,000
  - **(2)** Non-Residential $500,000
- **b. Contents:**
  - **a.** Residential $100,000
  - **b.** Non-Residential $500,000

2. The limits applicable to the following Coverage Extensions are in addition to the Limits of Coverage.

- **a.** Newly Acquired or Constructed Property
- **b.** Property Off-Premises
- **c.** Trees, Shrubs and Plants

3. Payments under the following Additional Coverages will not increase the applicable Limit of Insurance:

- **a.** Preservation of Property; or
- **b.** Debris Removal.

E. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence, except flood, until the amount of loss or damage exceeds $2500.00:

For loss or damage due to Flood, the applicable deductible applies per location in accordance with the NFIP.

We will then pay the "Actual Cash Value" amount of loss or damage in excess of the Deductible.

F. LOSS CONDITIONS

The following conditions apply in addition to the Certificate of Coverage General Conditions.

1. Abandonment

There can be no abandonment of any property to us.

In the event the building is not replaced nor alternate space constructed, the Fund will not make a payment on the loss other than to pay for demolition and clean up from the loss. The alternate space to be constructed must house the functions originally housed in the destroyed building and it is to be constructed in the local vicinity of the original structure.

2. Duties In The Event Of Loss Or Damage

a. You must see that the following are done in the event of loss or damage to Covered Property.

(1) Immediately notify the State Fire Marshal and the Division of Risk Management, Property Section, in the event of a fire or damage resulting in failure of the fire alarm system.

(2) Give prompt notice, by telephone, of the loss or damage to us so we may inspect the damage prior to commencing with repairs and then follow up with a written Notice of Loss Form.

ANY LOSS NOT REPORTED IN WRITING TO THE DIVISION WITHIN NINETY (90) DAYS FROM THE DATE OF THE LOSS, WILL NOT BE PAID UNLESS:

- **(a) OUR ABILITY TO ASSESS THE LOSS HAS NOT BEEN IMPAIRED BY THE DELAY AND,**
- **(b) THE DOLLAR ($) AMOUNT OF THE LOSS HAS NOT INCREASED DUE TO THE DELAY.**

(3) As soon as possible, give us a description of how, when and where the loss or damage occurred.

(4) Take all reasonable steps to protect the Covered Property from further

damage by a Covered Cause of Loss. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses for emergency and temporary repairs, for consideration in the settlement of the claim. This will not increase the Limit of Coverage.

(5) In the event of a lightning claim, complete the Lightning Statement Form in its entirety. Make sure the description of damage as well as the evidence of a direct strike is detailed.

(6) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, original purchase dates, costs, values, current replacement costs and amount of loss claimed.

(7) As often as may be reasonably required, permit us to inspect the property proving the loss or damage.

(8) Cooperate with us in the investigation or settlement of the claim. This includes providing us with detailed invoices and payment evidence to document claim expenses.

(9) Send us a signed proof of loss within 30 days of receipt. We will supply you with the necessary forms.

3. **Loss Payment**

a. In the event of loss or damage covered by this Coverage Certificate, at our option, we will either:

(1) Pay the "Actual Cash Value" of damaged property; which has been replaced with property of like kind and quality; or

(2) Pay the cost of repairing; whichever is less.

b. If funds are available we will pay for covered loss or damage within 30 days after we receive the signed proof of loss.

4. **Vacancy**

Permission is granted for all buildings to be "vacant" or "unoccupied" on the condition that the premises shall be kept locked and secured to prevent trespassing or the entrance of unauthorized persons during the term of vacancy or unoccupancy.

The Division must be notified immediately when a building becomes "vacant" or "unoccupied." Should the "vacant" or "unoccupied" building later become occupied, the Division must also be notified.

5. **Valuation**

We will determine the value of Covered Property in the event of loss or damage at "actual cash value" at the time of loss or damage.

G. GENERAL CONDITIONS

1. **Other Insurance**

If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Coverage.

2. **Statutory Control**

In the event of any conflict between the provisions or coverages in this certificate and the provisions of any Florida Statutes or law including but not limited to the aforesaid, said laws and statutes shall control.

3. **Fire Protection**

In consideration of the rate at which this certificate is written it is stipulated that you shall exercise due diligence in maintaining in complete working order all equipment and services, installed for the detection, prevention, and extinguishment of fire in the property covered by this certificate and under your control. **It is further stipulated that if changes are made to any sprinkler system, its water or chemical supplies, or to any watchman service you must notify us immediately in writing.**

4. **Natural Disaster**
   In the event of a natural disaster, whether or not officially declared, of such magnitude that our self retained limit of liability plus the available excess insurance is exhausted:
   a. We shall only be liable to pay the amount of our self retained limit of liability and any excess insurance applicable to the occurrence; and
   b. We shall pay properly documented claims as they are presented for payment.

   Unpaid claims shall be classified as uninsured and shall constitute a general unfunded liability to the State. We may assist you in determining the number and amount of individual uninsured "covered claims".
5. **Transfer of Rights of Recovery Against Others to Us**
   We may require you to transfer all rights of recovery against any party for loss to the extent of our payment. You must do everything necessary to secure our rights and must do nothing after loss to impair them.
6. **Leased Buildings**
   We will cover leased buildings only when coverage is required by the terms of a valid written lease agreement when such lease agreement has been accepted in writing by the Division.

H. DEFINITIONS

1. "Actual Cash Value" Replacement cost less depreciation.
2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
3. "Stock" means merchandise held in storage for sale, raw materials and in process or finished goods, including supplies used in their packing or shipping.
4."Unoccupied" means containing contents pertaining to the occupancy of the building while operations or other customary activities are suspended.
5. "Vacant" means containing no contents pertaining to operations or activities customary to occupancy of the building.