

UNDERSTANDING YOUR INSURANCE POLICY

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DEAN, RINGERS, MORGAN & LAWTON
ATTORNEYS AT LAW

INSURANCE POLICY

TERMS AND CONDITIONS

We are pleased to have you as a client. We will work with you to understand your needs and provide you with the level of benefit and protections. In order to learn everything you would like to know, we will meet with you in a secure setting. If there is anything you would like to know, please contact us immediately. It is our goal to provide you with the best service possible so that we can ensure your satisfaction.

OVERVIEW

- **Declarations Page**
- **Conditions**
- **Coverages**
- **Exclusions**
- **Endorsements**

A close-up photograph of an insurance policy document. The document is white with black text. At the top, the words "INSURANCE POLICY" are printed in a large, bold, serif font. Below this, "TERMS AND CONDITIONS" is printed in a smaller, bold, sans-serif font. The background is slightly blurred, showing a pair of black-rimmed glasses and a pen resting on the document.

INSURANCE POLICY

TERMS AND CONDITIONS

We've got chosen us for your insurance needs a
with the level of benefit and protections. In
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DECLARATIONS

FLORIDA MUNICIPAL INSURANCE TRUST

DECLARATIONS

I. DESIGNATED MEMBER:

Address:

II. COVERAGE PERIOD

From October 1, 2022 to September 30, 2023

12:01 A.M. Standard Time at the address of the Designated Member.

III. AGREEMENT NUMBER

Florida Municipal Insurance Trust (FMIT)

FMIT #

IV. COVERAGES INCLUDED

General Liability

Breach Response & Cyber Liability

Automobile Liability

Property

Workers Compensation

V. ESTIMATED ANNUAL PREMIUM

\$

DECLARATIONS

**FLORIDA MUNICIPAL INSURANCE TRUST
GENERAL /PROFESSIONAL LIABILITY COVERAGE AGREEMENT
DECLARATIONS**

I. DESIGNATED MEMBER: _____ **Agreement No.:** _____

II. Government Description
 Municipality County District Other

III. COVERAGE PERIOD
 From _____ to _____ 12:01 A.M. Standard Time at the address of the Designated Member.

IV. General/Professional Liability

	Premium Basis	Deductible/ Type	Limit	Net Premium
Payroll:				
1. General Liability				Included
a. Broad Form Property Damage			Per Form	
b. Extra Contractual Legal Expense			Per Form	
c. Fire Legal Liability			Per Form	
d. Medical Attendants'/Medical Directors' Malpractice Liability				
2. Errors & Omissions Liability				Included
a. Employment Practices Liability				
b. Employee Benefits Program Administration Liability				
3. Law Enforcement				Included
Full Time with Arrest Powers:				
Full Time or Part Time without Arrest Powers:				
Part Time with Arrest Powers:				
Volunteers:				
Clerical:				
Dogs:				
Horses:				

V. This Agreement includes these endorsements and schedules: See Schedule A

VI. ESTIMATED ANNUAL PREMIUM

	Normal Premium	Incentive Credit	Net Premium
Florida Municipal Insurance Trust (FMIT)	\$	\$	\$

DECLARATIONS

LIMIT OF LIABILITY:

- This is the most the Trust will pay for each covered occurrence regardless of the number of members, claimants, claims, or lawsuits.
- F.S. 768.28 limits

DEDUCTIBLE:

- Applies to all damages to all persons or property incurred as result of any one occurrence
- The Trust pays the damages in excess of the deductible

CONDITIONS OF COVERAGE

D.

Members' duties after loss:

1. give the Trust prompt written notice of any accident, occurrence or potential claim along with all relevant information concerning the claim. The Member shall have a continuing duty to provide to the Trust all relevant information promptly as the Member becomes aware of such information; and
2. cooperate fully with the Trust in defense or settlement of claims or opposition to claims bills, and in the enforcement of any right of contribution or indemnity; and
3. forward to the Trust every notice, demand, summons or other process served upon the Member relating to any occurrence, and take no further action concerning the occurrence without the approval of the Trust or the servicing agent; and
4. take reasonable steps to prevent additional or cumulative bodily injury, personal injury or property damage from or arising out of the same or similar conditions or circumstances; and
5. not engage in settlement negotiations as to any claim or suit, and the Trust shall have no obligation to pay the amount of any settlement negotiated or agreed upon by a Member without prior written approval by the Trust or the servicing agent; and
6. agree to take all reasonable actions, where appropriate, which shall facilitate settlement of claims; and
7. agree to responsible counsel selected by the Trust to defend the claim and agree not to use the City Attorney or any other in-house or contract attorney used ordinarily by the Designated Member as general counsel to its operations to defend said action, unless otherwise provided in this Trust Agreement; and
8. keep all bills, receipts and related documents that establish the amount of loss; and
9. furnish a complete inventory of the lost, damaged and destroyed property, showing in detail the quantity and amount of loss claimed under the valuation provision of the Coverage Agreement; and
10. promptly separate the damaged property from the undamaged property, and keep it in the best possible order for examination; and
11. take all reasonable steps to protect the covered property from further damage; and

- An insurance policy is a contract.
- The Member agrees to take certain actions after a loss. **(Members' duties after loss).**
- Failure to comply can result in a material breach and forfeiture of coverage.

DUTIES AFTER LOSS

- Give “prompt” notice of claim
- Provide all relevant information concerning the claim.
- Do not engage in settlement negotiations.

CHECKLIST



DUTIES AFTER LOSS: PROMPT NOTICE

“Give prompt written notice of any **accident, occurrence or potential claim...**”

- Do not wait until you are sued.



WHICH INCIDENTS MUST BE REPORTED?

- An occurrence that should lead a reasonable person to believe that a claim for damages will arise. *LoBello v. State Farm*, 152 So. 3d 595 (Fla. 2d DCA 2014).



UNREASONABLE EXCUSES:

- **Not believing you are at fault for an accident.** *Niesz v. Albright*, 217 So. 2d 606, 607 (Fla. 4th DCA 1969).
- **The belief that damages do not exceed the deductible or are not covered.** *1500 Coral Towers Condo. Ass'n, Inc. v. Citizens Prop. Ins. Corp.*, 112 So. 3d 541 (Fla. 3d DCA 2013); *Morton v. Indem. Ins. Co. of N. Am.*, 137 So. 2d 618 (Fla. 2d DCA 1962).
- When in doubt, report.



An hourglass with blue sand is the central focus, with a clock face visible in the background. A red rectangular box is overlaid on the right side of the image, containing text. A vertical column of five colored squares (black, dark brown, red, light red, light beige) is on the far right.

WHAT DOES “PROMPT” MEAN?

➤ **“As soon as practical.”**

LoBello, 152 So. 3d at 599.

➤ **Notice is prompt when it is given with reasonable dispatch and within a reasonable time under the particular facts and circumstances of the case.**

Rodriguez v. Avatar Prop. & Cas., 290 So. 3d 560 (Fla. 2d DCA 2020).

PROMPT NOTICE

- Boils down to the particular facts:
 - When did you find out about the incident?
 - Is there any justification for the delay in reporting?



An hourglass with sand falling through it, set against a blurred background of a clock face. The scene is lit with a cool blue light. A red rectangular box is overlaid on the right side of the image, containing text and a list. On the far right edge, there is a vertical column of five colored squares: black, dark brown, red, bright red, and light beige.

LATE NOTICE

If the insurer is prejudiced, it can deny the claim.

- delay results in a destruction of evidence
 - video not preserved
 - repairs made No photos
- Key witnesses are gone
- Judgment entered (can't defend or negotiate)

NOTICE: NAMED STORM COVERAGE ENDORSEMENT

Oct. 1, 2022 – Oct. 1, 2023
Coverage period

5. Unless the Trust, in its sole discretion, extends the respective time in writing, a claim arising from Named Storm is barred unless you provide us with notice of such claim as follows:

- a. Within 2 years after the Named Storm's landfall date for an initial claim or a "previously closed claim"; and
- b. Within 3 years after the Named Storm's landfall date for a "supplemental claim."



PROMPT NOTICE

FIRST PARTY PROPERTY DAMAGE

- **Florida Statutes § 627.70132(2):**
 - effective **December 16, 2022**
 - A claim for loss or damage caused by **any peril** is barred unless notice was given within **1 year** after the date of loss.
 - Even if reported in less than 1 year, claim could still be denied if prejudiced.
 - Effective **October 1, 2023**, FMIT policies will align with the statute.



OTHER POST LOSS DUTIES: FIRST PARTY PROPERTY

- Take all reasonable steps to protect the covered property from further damage.
- Keep all bills, receipts & related documents.
- Furnish a complete inventory of damaged property.



A low-angle, upward-looking photograph of a massive, rusted steel bridge tower. The tower's surface is covered in a dense pattern of rivets and bolts, creating a complex geometric pattern. The sky is a pale, bright blue, and several power lines stretch across the upper right portion of the frame. A solid red rectangular box is superimposed over the center of the image, containing the word "COVERAGES" in white, bold, sans-serif capital letters.

COVERAGES

COVERAGES

FLORIDA MUNICIPAL INSURANCE TRUST

DECLARATIONS

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V. ESTIMATED ANNUAL PREMIUM

\$

GENERAL LIABILITY COVERAGE

FLORIDA MUNICIPAL INSURANCE TRUST

COVERAGE AGREEMENT

APPLICABLE TO: GENERAL/PROFESSIONAL LIABILITY AND AUTOMOBILE COVERAGE

In consideration of the Designated Member's payment of the required contributions and the covenants and terms set forth in (a) the Conditions of Coverage, (b) the Member's Application for Participation including the statements and representations contained therein, (c) the Declarations and (d) the Coverage Agreement including coverage endorsements, terms, conditions, limits of liability, exclusions and other provisions thereof (a, b, c, and d hereinafter collectively forming and referred to as the "Coverage Agreement"), the Florida Municipal Insurance Trust (hereinafter the "Trust") hereby enters this Coverage Agreement with the Member as follows:

COVERAGE

The Trust will pay all sums which a Member becomes legally obligated to pay as Damages because of:

Bodily Injury
Property Damage
Personal Injury, or
Advertising Injury

to which this Coverage Agreement and any endorsements thereto apply if caused by an Occurrence which takes place during the coverage period of this Coverage Agreement.

- Check Endorsements

GENERAL LIABILITY COVERAGES

1

Bodily Injury



2

Property
Damage



3

Law
Enforcement



4

Civil Rights



5

Errors &
Omissions



EXCLUSIONS

- any form of intentional misconduct
- act committed outside the course and scope of employment
- acts committed in bad faith with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety or property

EXCLUSIONS

- Injunctive/declaratory relief, or other non-monetary relief
- breach of contract
- violation of public records laws or public meetings laws

DEFENSE OF COVERED CLAIMS

- The Trust will hire an attorney to defend you.
- The Trust will cover the cost of defense even if the claims are groundless.
- If a lawsuit alleges covered and uncovered claims, the Trust will defend the entire lawsuit.
- But the Trust is not obligated to pay any judgments on uncovered claims.

FIRST PARTY PROPERTY COVERAGE

BUILDING AND PERSONAL PROPERTY COVERAGE FORM:

“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.**”



COVERED CAUSES OF LOSS - SPECIAL FORM

- If the policy is an “All Risks” policy, it protects against all direct losses except those explicitly excluded from the policy.
- But a “named perils” policy only protects against perils explicitly named as included in the policy.

CAUSES OF LOSS - SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section F. - Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means Risks Of Direct Physical Loss unless the loss is:

1. Excluded in Section B., Exclusions; or
2. Limited in Section C., Limitations; that follow.

B. 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.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (1) An ordinance or law that is enforced even if the property has not been damaged; or
- (2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Earthquake, including any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in b.(1) through (4) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

All volcanic eruptions that occur within any 168 hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

COVERED CAUSE OF LOSS - BASIC FORM

- Under an “all risks” policy, the insured only has to prove that while the policy was in force, a loss occurred to the property.
- Under a “named perils” policy, the insured has the burden of proving that one of the “named perils” caused the loss to the insured’s property.

CAUSES OF LOSS - BASIC FORM

A. Covered Causes Of Loss

When Basic is shown in the Declarations, Covered Causes of Loss means the following:

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.
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 vehicles you own or which are operated in the course of your business.

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. Vandalism, meaning willful and malicious damage to, or destruction of, the described property.

We will not pay for loss or damage caused by or resulting from theft, except for building damage caused by the breaking in or exiting of burglars.

9. Sprinkler Leakage, meaning leakage or discharge of any substance from an Automatic Sprinkler System, including collapse of a tank that is part of the system.

If the building or structure containing the Automatic Sprinkler System is Covered Property, we will also pay the cost to:

- a. Repair or replace damaged parts of the Automatic Sprinkler System if the damage:
 - (1) Results in sprinkler leakage; or
 - (2) Is directly caused by freezing.
- b. Tear out and replace any part of the building or structure to repair damage to the Automatic Sprinkler System that has resulted in sprinkler leakage.

Automatic Sprinkler System means:

- (1) Any automatic fire protective or extinguishing system, including connected:
 - (a) Sprinklers and discharge nozzles;
 - (b) Ducts, pipes, valves and fittings;
 - (c) Tanks, their component parts and supports; and
 - (d) Pumps and private fire protection mains.
- (2) When supplied from an automatic fire protective system:
 - (a) Non-automatic fire protective systems; and
 - (b) Hydrants, standpipes and outlets.

SPECIFIED VALUE VS. BLANKET COVERAGE

1. Specified Value coverage will pay up to the value of a specific building or structure listed on the property schedule no matter how much it costs to actually replace a building.

2. Blanket coverage provides a total limit for covered properties. Blanket coverage is designed to ensure that even when reconstruction costs exceed the listed value of a building, the insurer will pay the total reconstruction cost up to the policy limit.

A low-angle, upward-looking photograph of a tower from the Golden Gate Bridge. The tower is a reddish-orange color and is made of steel with many rivets. The sky is a clear, bright blue. Several suspension cables are visible, extending from the top of the tower towards the right side of the frame. A red banner is overlaid on the top left of the image.

THANK YOU

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