

The Trust may pay on behalf of the member all or any portion of the deductible amount and upon notification by the Trust of such payment, the member shall promptly reimburse the Trust for any portion of the deductible the Trust has paid.

Next, please see **FMIT CA 1016: Coverage Agreement**, which states in pertinent part as follows:

COVERAGE AGREEMENT

APPLICABLE TO: GENERAL LIABILITY, AUTOMOBILE, PROPERTY AND ALLIED LINES

In consideration of the 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 shall hereinafter collectively form and be 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:

Property Damage

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.

As a pre-requisite to any coverage provided by the Trust under this Coverage Agreement, the Member expressly agrees to each of the Conditions contained in the Member Conditions of Coverage provided with this Coverage Agreement, along with the provisions of the Coverage Agreement and Declaration of Trust creating the Florida Municipal Insurance Trust and any rules, policies and procedures adopted by the Trust, which shall be deemed a part of this Coverage Agreement, whether expressly restated herein or not.

DEFINITIONS

- Z. Property Damage**, means (a) physical injury to or destruction of tangible property which occurs during the policy period, including the loss of use thereof at any time resulting there from, or (b) loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an occurrence during the period of this Coverage Agreement.

Next, please see **CP 00 10 04 02: Building and Personal Property Coverage Form**, which states in pertinent part as follows:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

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**.

D. Deductible:

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance condition or the Agree Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the deductible will be applied only once per occurrence.

Next, please see **CP 10 30 04 02 – Causes of Loss – Special Form**, which states in pertinent part as follows:

CAUSES OF LOSS – SPECIAL FORM

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.

Windstorm is not an excluded cause of loss.

Finally, please see **FMIT PROP 11NS-A 1016: Named Storm Percentage Deductible Endorsement**, which reads as follows;

NAMED STORM PERCENTAGE DEDUCTIBLE ENDORSEMENT

This endorsement replaces the deductible provisions “D” of the Building and Personal Property Coverage Form CP 00 10 04 02 for property losses to “Buildings” or “Personal Property” caused by Named Storm.

- I. Inland Named Storm Percentage Deductible. All locations situated in Inland Counties (counties listed in Section III below are Inland Counties) and included in the Designated Member’s Declarations (including the Designated Member’s Real and Personal Property Schedule, Property In The Open (PITO) Schedule, and Statement of Values) are subject to a deductible equal to 3% of the covered loss or damage caused by Named Storm.
- II. Non-Inland Named Storm Percentage Deductible. All locations situated in non-Inland Counties (counties not listed in Section III below are non-Inland Counties) and included in the Designated

Member's Declarations (including The Designated Member's Real and Personal Property Schedule, Property In The Open (PITO) Schedule, and Statement of Values) are subject to a deductible equal to 5% of the covered loss or damage caused by Named Storm.

- III. Inland Counties as used herein shall mean and include the following Florida counties: Alachua, Baker, Bradford, Calhoun, Clay, Columbia, De Soto, Gadsden, Gilchrist, Glades, Hamilton, Hardee, Hendry, Highlands, Holmes, Jackson, Lafayette, Lake, Leon, Madison, Marion, Okeechobee, Orange, Osceola, Polk, Putnam, Seminole, Sumter, Suwannee, and Union.
- IV. Claims for loss or damage to Building and Business Personal Property resulting from a Named Storm occurrence and covered pursuant to Form CP 00 10 04 02 shall be subject to the Named Storm Percentage Deductible specified above; shall apply on a per occurrence basis; and shall be calculated as a percentage applied on a per-item basis to the agreed value(s) of each of the following types of property when covered:
 1. Each scheduled Building;
 2. Each scheduled Business Personal Property item;
 3. Business Income as defined within the Coverage Agreement; and
- V. Claims for loss or damage to PITO resulting from a Named Storm occurrence and covered pursuant to the PITO endorsement shall be subject to the deductible provisions specified in the PITO endorsement.
- VI. Named Storm loss or damage that occurs within a continuous seventy-two (72) hour period will be considered a single occurrence.
- VII. Named Storm means a weather condition that arises when and if officially declared by the U.S. National Oceanic and Atmospheric Administration National Hurricane Center to be a Hurricane or Tropical Storm that results in loss or damage to property for which coverage is sought. Coverage for any Named Storm loss or damage shall include coverage for coastal storm surge flooding arising from the water of the Gulf of Mexico or Atlantic Oceans.
- VIII. For any instance in which a coinsurance penalty is applicable to a claim caused by a Named Storm, the Named Storm Percentage Deductible described above shall be calculated based replacement cost values of the covered loss or damage at the time of loss, not based upon the values contained in the Designated Member's Declarations (including the Designated Member's Real and Personal Property Schedule, and Statement of Values).

Hurricane Irma is considered a Named Storm and as such your named storm deductible referenced below applies per scheduled location(s) building limit and/or contents limit. For Property In The Open, the deductible is the below percentage of the actual covered loss. You suffered below deductible covered losses at the following location(s) and/or asset(s) on your policy:

<u>Location Number/Asset/Address</u>	<u>Limit</u>	<u>Deductible</u>	<u>Damage</u>
001-001/ 2 Story Restaurant or Cobbs Landing	\$500,000	\$25,000.00	\$21,000.00

Based upon the FMIT's review of the amount of your covered damages, they do not exceed the Named Storm Deductible per location and/or asset. As a result, we will not be able to assist with these damages. We have attached estimate(s) and/or statement(s) of loss for each of the referenced locations and/or assets. Should any additional damages be determined please promptly forward the documentation for further review and reply.

Respectfully,



Anthony Fields
Property & Liability Claims
Florida League of Cities