

**SECURITY COOPERATIVE INSURANCE COMPANY**  
**LANDLORD'S DISCLOSURE NOTICE**  
**(Standard COOP Except NYC)**

Your policy includes important coverage changes. Please review this important Disclosure Notice and retain it with your insurance policy. This Disclosure Notice is not a contract of insurance. It is intended to provide information on changes made to the forms described below. It is recommended that you review your policy carefully to determine your rights, duties and obligations. This information is intended to assist you in the review of your policy. If there are any conflicts between this Disclosure Notice and your policy, the provisions of the policy shall prevail.

Important changes are featured in this forms update and some changes may broaden coverage while others restrict coverage. Highlighted below are the major restrictions in coverage for your information.

In general, please note that many forms have been reformatted with some new introductory language. For example, the use of the word "perils" has been replaced with "causes of loss;" "limits of liability" in the property coverage has been replaced with "amount of insurance;" and there have been updates in accordance with law.

Your policy will always contain an insuring agreement, it is the FL-20.

**FL-20 1/92 Agreement**

Your policy contained FL-20 11/79 Agreement; it has now been replaced by FL-20 1/92 Agreement.

The following restrictions have occurred as a result of the form change:

Business as defined does not include the rental or holding for rent of any part of the insured premises.

Terms as defined now includes any forms or endorsements attached (to the policy).

Detachable building items are no longer included in Coverage A.

In Coverage A does not cover, the following items are added:

Satellite Systems as they relate to outdoor antennas;

Land, including land on which the property is located, including costs of excavating, removing, grading or filling land, or water in or on the land; and

Pools, piers, wharves, docks, underground pipes, flues, conduit and drains, and retaining walls that are not part of the building.

Coverage B now states that it is applicable only when Coverage A is in force.

In Coverage B does not cover, the following items are added:

Satellite Systems as they relate to outdoor antennas;

Land, including land on which the property is located, including costs of excavating, removing, grading or filling land, or water in or on the land; and

Pools, piers, wharves, docks, underground pipes, flues, conduit and drains, and retaining walls that are not part of the building.

In Coverage C, Limitations on Certain Property, as it relates to outdoor antennas, satellite systems are not covered. Also, losses that result from any credit card or funds transfer card are not covered.

In the Incidental Coverages, the following provisions provide less coverage:

Tenant's Improvements and Betterments Coverage – a payment under this coverage reduces the Coverage C Amount of Insurance for the same loss;

Outdoor Antenna Coverage – a payment under this coverage reduces the Coverage B Amount of Insurance for the same loss.

In the Exclusions That Apply To Your Policy section, the following changes provide less coverage:

Civil Authority – Also now excludes coverage for acts or decisions, including failure to act or decide, of any person, group, organization or governmental body;

Delay or Loss of Market – Is a new exclusion;

Dishonest or Criminal Acts – Is a new exclusion;

Faulty, Inadequate or Defective – Is a new exclusion;

Nuclear Clause – Is the former Nuclear Hazard Exclusion and now also does not cover loss or damage as described all whether directly or indirectly resulting from a covered loss under the policy;

Ordinance or Law – Also does not now cover the increased cost of removing debris resulting from Ordinance or Law;

Water Damage – Also does not now cover loss caused by water below the surface of the ground, pressing on, flowing or seeping through basement, whether paved or not;

Wear and Tear – Also does not now cover damage from scratching or chipping, inherent vice, deterioration, rust or corrosion, mildew, contamination, pollution, dampness or dryness of atmosphere, changes in or extremes of temperature or birds, vermin, rodents or insects;

Weather – Is a new exclusion.

In How Much We Pay For Loss Or Claim, the following provisions provide less coverage:

Section 2. Deductible – The deductible also applies to all additional property coverages added by endorsement. The policy covers more than one building, the deductible applies separately to each building. If the policy covers only business or personal property, the deductible applies separately to each property in each building. If a different deductible amount applies separately to your building and to the property within the building, the higher of the deductibles shall apply to a loss.

Section 4. Insurance Under More Than One Policy – if there is other insurance covering the same loss or damage, other than insurance subject to the same plan, terms, conditions and provisions as this policy, only the amount of covered loss or damage in excess of the amount due from that other insurance will be paid by this policy whether you can collect on the other policy or not.

Section 7 Tenant's Improvements and Betterments – If there is a covered loss, we will either pay the: actual cash value if the property is repaired or replaced within a reasonable time at your expense; a portion of your original cost if you do not make repairs and the payment will be proportional to the unexpired days as compared to the original number of days granted by your lease unless there is a renewal option in your lease that will replace the expiration of the lease in this procedure; or nothing if others pay for repair or replacement.

In Conditions Applicable To All Coverages:

Section 18. Additional Provisions – Adds additional provisions for the computation of payment after a loss.

### **Causes of Loss Forms**

All policies contain covered Perils forms, now known as Causes of Loss forms. Your policy may contain more than one Perils forms, now known as Causes of Loss forms. Below are the listed changes in such forms if they are on your policy. Check your policy to confirm which Causes of Loss forms are included with your coverage.

### **FL-1R 9/16 Causes Of Loss**

If your policy contained FL-1R 2/81 Perils Section, it has now been replaced by FL-1R 9/16 Causes Of Loss.

The following restrictions have occurred as a result of the form change:

Fire or Lightning – Cause of Loss 1. excepts coverage for loss resulting from electrical injury or disturbance to electrical appliances, devices, fixtures or wiring caused by artificially generated electrical currents;

Explosion – Cause of Loss 2. now excludes coverage for:

- Explosion of steam boilers, steam pipes, steam turbines or steam engines if owned, leased by or operated under the control of an insured;
- Shock waves, known as "sonic boom";
- Electric arcing;
- Rupture or bursting of rotating or moving parts of machinery caused by centrifugal force or mechanical breakdown;
- Water hammer;
- Rupture or bursting of water pipes;
- Rupture, bursting or operating of pressure relief devices; or
- Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water.

Optional Vandalism – Cause of Loss No 10 contains an additional limitation to glass or safety glazing materials that are part of a building, outdoor structures or outdoor signs. Loss or damage to other property caused by or resulting from breakage of glass by vandals is not covered or for loss caused by or resulting from theft, except for building damage caused by the breaking in or exiting of burglars.

#### **FL-2B 9/16 Causes Of Loss**

If your policy contained FL-2 11/79 Perils Section, it has now been replaced by FL-2B 9/16 Causes Of Loss.

The following restrictions have occurred as a result of the form change:

Explosion – Cause of Loss 2. now excludes coverage for:

- Explosion of steam boilers, steam pipes, steam turbines or steam engines if owned, leased by or operated under the control of an insured;
- Shock waves, known as "sonic boom";
- Electric arcing;
- Rupture or bursting of rotating or moving parts of machinery caused by centrifugal force or mechanical breakdown;
- Water hammer;
- Rupture or bursting of water pipes;
- Rupture, bursting or operating of pressure relief devices; or
- Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water.

Vehicles – Cause of Loss 6. now excludes coverage for loss or damage caused by a vehicle that is owned, leased or operated by you or an occupant of the insured premises; or to your fence(s), driveway(s) or walk(s).

Falling Objects – Cause of Loss 12. now has a broader exclusion for business property out in the open as compared to the previous version of the form which excluded coverage for outdoor awning or canopies including their supports; and to fences or outdoor equipment not permanently installed.

Weight of Ice, Snow or Sleet – Cause of Loss 13. now contains an exclusion for docks.

Collapse of a Building or Any Part of a Building – Cause of Loss 14. Now contains an exclusion for gutters and downspouts and docks. Also, the exclusion has been broadened and the list of excluded items no longer are required

to be permanently installed to be excluded. Damage which results from an excluded cause or event is also excluded.

**FL-3B 9/00 Causes Of Loss**

If your policy contained FL-3 11/79 Perils Section, it has now been replaced by FL-3B 9/00 Causes Of Loss.

The following restrictions apply to Coverage A and Coverage B and have occurred as a result of the form change:

Freezing, Discharge, Leakage or Overflow – Exclusion 2. now requires when the residence is vacant that all liquids be drained from any plumbing, heating or air conditioning system, water heater or domestic appliance when previously the requirement was to drain water in such systems or appliances.

7. Steam Boilers – Exclusion 7 is added.

The following restrictions apply to Coverage C and have occurred as a result of the form change:

Explosion – Cause of Loss 2. now excludes coverage for:

- Explosion of steam boilers, steam pipes, steam turbines or steam engines if owned, leased by or operated under the control of an insured;
- Shock waves, known as "sonic boom";
- Electric arcing;
- Rupture or bursting of rotating or moving parts of machinery caused by centrifugal force or mechanical breakdown;
- Water hammer;
- Rupture or bursting of water pipes;
- Rupture, bursting or operating of pressure relief devices; or
- Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water.

Vehicles – Cause of Loss 6. now excludes coverage for loss or damage caused by a vehicle that is owned, leased or operated by you or an occupant of the insured premises; or to your fence(s), driveway(s) or walk(s).

**FL-19 4/94 Amended Limits Of Liability**

FL-19 4/94 Amended Limits of Liability has been added to your policy.

The following restrictions have occurred as a result of the form change:

The purpose of an aggregate limit is to specify the maximum amount that your policy may pay because of Bodily Injury, Property Damage incurred within a one year period from the policy inception. The aggregate amount is reinstated at the expiration of each annual period when multiple year contracts are in force. The intent of applying an aggregate is to limit our liability to the maximum shown as the aggregate limit in your policy.

**Additional Insured Endorsements**

Your policy may contain an additional insured endorsement. Below are the listed changes in such forms if either of these forms are on your policy.

**FL-41 1/92 Additional Insured**

If your policy contained FL-41 11/81 Additional Insured, it has now been replaced with FL-41 Additional Insured 1/92.

The following restrictions have occurred as a result of the form change:

The FL-41 clearly states the coverage is provided for an additional premium.

#### **FL-41L 7/98 Additional Insured**

If your policy contained FL-41L 10/83 Additional Insured, it has now been replaced with FL-41L Additional Insured 7/98.

The following restrictions have occurred as a result of the form change:

The FL-41L clearly states the coverage is provided for an additional premium.

A What We Do Not Pay For section has been added to the endorsement. As a result, the endorsement limits coverage for additional insureds to their vicarious liability arising out of the hazards covered by the policy. There is no coverage for any liability arising out of any acts or omissions of any additional insureds, their employees or any other person or organization with which the additional insured has a contract or other relationship.

#### **FL-52A 12/98 Trampoline Exclusion**

Your policy contained ML-52A 6/99 Trampoline Exclusion; it has now been replaced with FL-52A 12/98 Trampoline Exclusion.

The following restriction has occurred as a result of the form change:

FL-52A 9/98 Trampoline Exclusion contains the same limitations of coverage contained in the ML-52A 6/99 that was on your policy, however, the FL-52A 12/98 not only applies to forms that contain Exclusions that apply to Both Personal Liability and Medical Payments to Others but the exclusion also applies to policy forms that contain Exclusions that apply to Bodily Injury, Property Damage or Premises Medical Payments Coverages.

#### **FL-84A 4/94 New York Amendatory Endorsement (For use with FL-30 Ed. 5/92)**

FL-84A New York Amendatory Endorsement (For use with FL-30 Ed. 5/92) has been added to your policy.

The following restrictions have occurred as a result of the form change:

FL-84A is an amendatory endorsement to FL-30 5/92 Amendatory Endorsement Principle Coverages. By the addition of FL-84A 4/94, Coverage B has two additional exclusions which are for land, including the land on which the property is located. This includes the cost of excavating, removing, grading or filling land, or water in or on that land; and pools, piers, wharves, docks, underground pipes, flues, conduits and drains, and retaining walls that are not part of the building.

#### **Liability Coverage Forms**

Your policy will contain at least one of the liability coverage forms listed below, either the FL-CPL Personal Liability Coverage Part or the FL-OLT Premises Liability Insurance Coverage Part.

#### **FL-CPL 1/92 Personal Liability Coverage Part**

If your policy contained FL-CPL 1/85 Personal Liability Coverage Part, it has now been replaced by FL-CPL 1/92 Personal Liability Coverage Part.

The following revisions to coverage have occurred as a result of the form change:

In the Principal Liability and Medical Payments Coverages section, the phrase “with counsel of our choice” has been added to the Coverage L-Personal Liability grant of coverage as it relates to the defense provision.

In the Exclusions, under the Exclusions that Apply to Both Personal Liability and Medical Payments to Others, the following exclusions have been either added or reworded:

New exclusions have been added to exclude coverage for injury arising directly or indirectly out of instances, occurrences or allegations of child abuse, sexual abuse of any person or injury and criminal activity by employees of the insured named in the policy.

A new exclusion has been added to exclude coverage for injury arising directly or indirectly from the transmission of a communicable disease by an insured or an employee of an insured.

### **FL-OLT 1/92 Premises Liability Insurance Coverage Part**

If your policy contained FL-OLT 2/81, Premises Liability Insurance Coverage Part, it has now been replaced by FL-OLT 1/92 Premises Liability Insurance Coverage Part.

The following revisions to coverage have occurred as a result of the form change:

In the Principal Liability and Medical Payments Coverages section, the phrase “with counsel of our choice” has been added to the Coverage L-Personal Liability grant of coverage as it relates to the defense provision.

In the Incidental Bodily Injury and Property Damage Coverages section, the Incidental Motorized Vehicle Coverage has been amended as follows:

For bodily injury or property damage which occurs on the insured premises and results from the ownership, maintenance, use, loading or unloading of a motorized vehicle, such vehicle must be loaded or unloaded by an insured for coverage to apply. For bodily injury or property damage which occurs away from the insured premises and results from motorized vehicles designed exclusively for use off public roads and used principally to service the insured premises, such vehicles must now not be subject to motor vehicle registration.

In the Exclusions, under Exclusions that Apply to Bodily Injury, Property Damage and Premises Medical Payments Coverages, the following exclusions have been either added or reworded:

The exclusions that apply to aircraft, motorized vehicles or watercraft now limit coverage by also excluding liability resulting from the operation, occupancy, renting, loaning, entrusting or supervision of such vehicles.

The exclusion for liability intentionally caused by or at the direction of any insured has been amended to exclude unintentionally caused injuries resulting from assault, battery, and/or sexual abuse by or at the direction of an insured.

The exclusion for bodily injury or property damage to any employee arising out of employment and now excludes any obligation of the insured to indemnify another or contribute with another because of damages arising out of such injury.

The exclusion for liquor liability has been updated to exclude alcohol provided for a fee, whether for profit or otherwise, whether a license is required or not and if not so engaged, as an owner or lessor of premises used for such purposes if liability is imposed, because of the violation of any ordinance or regulation pertaining to the sale, gift or distribution or use of any alcoholic beverage or by reason of any alcoholic beverage to a minor.

A new exclusion has been added for bodily injury or property damage from communicable disease by an insured or an employee of an insured or arising from the use, possession, manufacture, sale or distribution of controlled substances as shown in 21 USCS 812 and amendments.

In the Exclusions, under Exclusions that Apply to Bodily Injury and Property Damage, the following exclusions have been either added or reworded:

This new exclusion excludes bodily injury to you and if residents of your household, your relatives and any other person under the age of 21 in your care or in the care of your resident relatives.

The pollutants exclusion has been expanded and specifically provides that there is no coverage for bodily injury or property damage arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants at or from premises rented or occupied by the named insured; at or from any site or location used by or for the named insured or others for the handling, storage disposal, processing or treatment of waste; which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for the named insured or any other person or organization for whom the named insured may be legally responsible or at or from any site or location on which the named insured or any contractors or subcontractors working directly or indirectly on behalf of the named insured are performing operations if the pollutants are brought on or to the site or location in connection with the operations or if the operations are to test for, clean up, remove, contain, treat, detoxify or neutralize the pollutants, as defined in the exclusion. The definition of pollutants is expanded to include solid, liquid or gaseous or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemical and waste. Waste includes materials to be recycled, reconditioned or reclaimed. We do not pay for loss, cost or expense arising out of any governmental direction or request that the named insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants covered.

### **Other Liability Forms**

#### **SMIC-FL-139A 2/23 Communicable Disease Exclusion Clarification**

SMIC FL-139A 2/23 Communicable Disease Exclusion Clarification has been added to your policy.

The following revisions to coverage have occurred as a result of the form change:

SMIC-FL-139A 2/23 Communicable Disease Exclusion Clarification replaces the previous Communicable Disease exclusion contained in your policy either in the FL-CPL Personal Liability Coverage Part or the FL-OLT Premises Liability Coverage Part. This policy does not apply to bodily injury or property damage, and when applicable to your policy, personal injury, arising directly or indirectly from the actual or alleged transmission of a communicable disease. This exclusion applies even if any of the claims against any injured allege negligence or misconduct in: examining, testing or monitoring for a communicable disease; neglecting to report a communicable disease to appropriate authorities; neglecting to prevent the spread of a communicable disease or failing to perform services that were intended to prevent the spread of a communicable disease; or supervision, hiring, employment, training or monitoring of anyone who may be infected with and spreads a communicable disease.

#### **SMIC-FL-373A 9/22 Exclusion of Canine Related Injuries Or Damages**

SMIC-FL-373A 9/22 Exclusion of Canine Related Injuries Or Damages has been added to your policy.

The following revisions to coverage have occurred as a result of the form change:

Coverage L and Coverage M do not apply to bodily injury or property damage caused by any dog or other canine, owned harbored or in the care of, an insured, any tenant, or occupant of the premises, when such injury or damage is caused by or contributed to by any canine that has a history of one or more attacks on people, property or other animals that is verifiable from insurance claims records, police or public record sources; any dog that has not had inoculations as required by law; or canines that have been trained to guard or attack people, property or other animals.

#### **SMIC-FL-373B 9/22 Animal Sublimit**

The SMIC-FL-373B Animal Sublimit has been added to your policy.

The following revisions to coverage have occurred as a result of the form change:

The revisions are applicable to Coverage L. When bodily injury or property damage is caused by an animal, we will not pay more than the Animal Sublimit shown in the schedule of the endorsement for any occurrence regardless of the number of animals involved. The Animal Sublimit applies to such animals that are owned, kept or temporarily supervised, by you or any insured, resident, tenant or guest whether the injury or damage occurs on the insured premises or any other location; and not otherwise excluded by your policy.

**FL-426 1/92 Cancellation and Renewal Provision (Commercial Lines Insurance)**

FL-426 1/92 Cancellation and Renewal Provision (Commercial Lines Insurance) has been added to your policy.

Your policy will be cancelled based on New York Insurance Law Section 3426 for commercial lines policies instead of the previous cancellation provisions that were subject to New York Insurance Law Section 3425 for personal lines policies.

Additional policy forms may be attached to, and made part of your policy. Such policy forms are specific to your policy and the details of any such changes are not included in this Disclosure Notice. This Disclosure Notice does not change, modify or invalidate any of the provisions, terms, or conditions of your policy. This Disclosure Notice is a general description of major coverage changes and is not a statement of contract.