

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.  
**ALTERNATIVE DISPUTE RESOLUTION ENDORSEMENT**

**SECTION I – CONDITIONS**

**6. Appraisal** is deleted and replaced by the following:

**6. Alternative Dispute Resolution**

- a. For purposes of this endorsement, “you” shall include any additional insured, omnibus insured, other person(s) making a claim under the policy, or an assignee of post-loss benefits.
- b. **Mediation.** If you and we disagree on coverage or the amount of loss, either party may request mediation, in writing, with the Department of Financial Services (DFS). The parties will utilize the mediator appointed by the DFS unless the parties agree to the selection of a mediator.

As a condition to being compelled to mediation, you must have complied with all **Your Duties After Loss**, and we must have rendered, in writing, a determination on coverage and amount the repair the causally related damage. Additionally, there must be a dispute in excess of \$500.00 for to qualify for mediation.

Mediation, if requested, is a prerequisite to appraisal and arbitration, but shall not preclude appraisal or arbitration if a settlement is not reached by the parties at mediation.

No later than 20 days before mediation, both parties must submit any documentation as to the cause of loss and the amount of loss that they wish to be considered during mediation.

Mediation shall occur within 60 days of a request submitted to the Department of Financial Services by either party. Mediation is non-binding unless a written agreement is reached during the mediation conference. Any written agreement reduced to writing and signed by both parties, known as Mediation Agreement, shall be binding as to any and all issues agreed upon by the parties. If a settlement

agreement is reached during mediation, you shall have 3 business days to advise us, in writing, that you wish to rescind the settlement agreement. During mediation, the parties may agree to certain issues but not settle the entire claim.

No Suit Against Us can be brought if you or we request mediation prior to the filing of suit and mediation has not been completed.

We will pay in accordance with the Mediation Agreement.

The cost of mediation shall be paid in accordance with Florida law. Mediation shall be governed by 69J-166.031 of the Florida Administrative Code and Florida Statute 627.7015.

- c. **Appraisal.** If you and we agree that there is coverage for the loss, but disagree on the amount of loss, either may demand, in writing, an appraisal. As a condition to being us compelled to appraisal, you must have complied with all Your Duties After Loss, and we must have accepted, in writing, coverage for the loss. No later than 20 days before appraisal, both parties must submit any documentation as to the cause of loss and the amount of loss that they wish to be considered during mediation.

Each party shall choose a competent, disinterested, and impartial appraiser within 20 days upon receiving the to writirW01-21

If an agreement cannot be reached, then the appraisers shall select a competent, disinterested, and impartial umpire within 5 days. If an umpire is selected the appraisers, the umpire shall meet and inspect the insured property within 20 days and prepare an estimate of the amount of loss within 10 days after the umpire's inspection. If the appraisers cannot agree upon an umpire, then the appraisal process shall be terminated and shall proceed no further.

The amount of the loss shall be put in writing and titled Appraisal Award. An Appraisal Award signed by either both appraisers or the umpire and either appraiser shall be binding upon the parties. The Appraisal Award shall set the amount of loss and shall separately state the amounts for each coverage type available under the insurance policy that is being appraised. All coverages that are payable on an incurred basis are not subject to appraisal absent an agreement of the parties. The Appraisal Award shall determine and set forth the Actual Cash Value and the Replacement Cost Value of the covered loss.

In the event you and we disagree on coverage for certain damage, the appraisal shall consider, determine, and set out in the Appraisal Award, what repairs are reasonable and necessary to restore the property to its pre-loss condition, what damages, if any, are causally related to the covered loss, and what damages, if any, are causally related to other factors which are excluded from coverage. Only those damages that are causally related to the covered loss shall be included in the Appraisal Award.

The appraisal shall consider all damages that are part of the

a Chief Arbitrator, the arbitration shall be terminated and proceed no further.