

IV. PROPERTY NOT COVERED (continued)

Land, Land Values, Lawns, Trees, Shrubs, Plants, Growing Crops, or Animals. Animals are specifically excluded from coverage by the provision in General Property Form Section IV.6 (also Dwelling Form Section IV.6 and Residential Condominium Building Association Policy Section IV.6). This exclusion applies to live bait, such as worms or minnows, sold in fishing tackle shops.

Containers. Fuel tanks and well water tanks are not covered outside a basement, elevated building enclosure, or the insured building. Tanks containing other liquids or gases are not covered.

Hot Tubs, Spas, and Swimming Pools. These and their equipment are not covered, except that spas and hot tubs are covered if they are bathroom fixtures or stock and inventory held for sale.

Coastal Barrier Resources Act (CBRA). It is the adjuster's responsibility not to recommend payment for buildings and their contents made ineligible by CBRA legislation, as it is against the law to insure such buildings. These should be referred to Underwriting for a coverage determination.

V. EXCLUSIONS

Loss of Revenue or Profit, Loss of Access, Loss of Use, Business Interruption, and Additional Living Expenses. We will not pay for these. Coverage is not provided for the cost of complying with any ordinance or law except those described in D. Coverage D – Increased Cost of Compliance and C. Coverage C – Other Coverages, 3. Pollution Damage.

Loss in Progress. Not covered (Paragraph B.).

Single Peril. Paragraph C. makes it clear that this is a single-peril policy. Earth movement caused by flood is excluded. This includes but is not limited to earthquake, landslide, land subsidence, sinkholes, destabilization, or movement of land resulting from the accumulation of water in subsurface land areas, and gradual erosion.

Land subsidence is covered if it is caused by erosion as specified in the definition of flood (see General Property Form Section II.A.2.).

Note: The adjuster should recognize and immediately report potential structural instability of the insured property to the WYO Company and recommend a qualified expert conduct an on-site inspection of the insured building. The expert should provide a comprehensive report detailing the cause and effect of the settlement/subsidence including photographs of the structure to the WYO Company that will assist in making the necessary determination as to whether or not damage is a direct physical loss by or from flood.

Water, Moisture, Mildew, Mold, Damage. Not covered when caused by a condition substantially confined to the building, or within the insured's control, which includes design, structural, or mechanical defects; failure, stoppage, or breakage of water or sewer lines, drains, pumps, fixtures, or equipment; or the insured's failure to adequately inspect and maintain the property after the flood waters recede. (For additional information about mold damage, see Subsection VIII.C' of this manual.)

Note: The insured should not be reimbursed for any pre-existing damage resulting from rotten or deteriorated wood or other framing members. The adjuster should be able to distinguish whether or not the wood members have been exposed to long-term moisture causing the wood to crumble, rot and/ or weaken. Often, the adjuster will observe infestation by termites or other insect's in the deteriorated area; the damage resultant from infestation is also not covered by the SFIP.