

Commercial claim rebuild pack — building, business income and ordinance-or-law analysis

ILLUSTRATIVE SAMPLE — not a real claim. The insured, the loss, the claim number and every figure in this document are invented to demonstrate format and method. The policy forms cited are real, publicly filed ISO forms. Nothing here is advice on an actual claim and no conclusion in it may be relied on.

Mode: SAMPLE. Invented figures throughout. No real client data appears in this document. The materials share at \$5.3 is a sample input; the sales-tax rate itself is sourced to FDOR Form DR-15DSS (§5.3).

Named insured	Sample Coastal Hospitality LLC (illustrative), a Florida limited liability company
Described premises	96-room Gulf-front hotel, five floors (20/20/19/19/18 rooms), Pensacola Beach, Escambia County, Florida; illustrative address omitted
Loss	2025-09-24, 03:40 CDT — Category 2 hurricane; wind-driven roof damage with water intrusion to floors 4 and 5; four months of interrupted operations
Carrier / claim / policy	Sample Mutual Insurance Company (illustrative admitted carrier) · claim SM-2025-0917-4471 · policy CPP-2025-0015
Policy forms and limits	See §4.1 (Exhibit A). Headline: building \$6,500,000; business personal property \$1,200,000; business income \$1,500,000 (agreed value in force); windstorm/hail deductible 5% of the building limit
Engagement	This pack was produced by Paladin AI at the instruction of the licensed firm named below, from documents the firm supplied. The desk produced the analysis; the licensed professional reviews, corrects, adopts and signs the coverage, causation and valuation judgements
Prepared for	[Licensed public adjusting firm / policyholder counsel of record — client of record] (sample: placeholder). In a white-label file the firm's brand leads and Paladin AI is named as preparer only
Produced by	Paladin AI — analysis for licensed professionals. The desk does not adjust, negotiate, contact insureds or sign
Effective date of the opinions	2026-04-15 (the date through which the file's documents and financial records have been read)
Date of the report	2026-04-24
Version	v1.0 · 2026-04-24 · author: Paladin AI production desk · reviewer: [named second reviewer; sign-off in the workfile review memo, Exhibit I form 2] · signer: [licensed public adjuster, Florida licence 25-07 — number on the certification] · first issued version
File naming	Paladin-SampleCoastal-SM-2025-0917-4471-Pack-v1-2026-04-24 ; each companion file carries the same stem and the exhibit label
Confidentiality	Confidential analysis for the engaged firm, its licensed adjuster and its counsel; not legal advice
Execution state	Unsigned and unsworn. Every execution field is an unpopulated placeholder by design, and no signature may be entered until each is completed. The proof of loss is not delivered (planned 2026-04-28) and is not sworn until O-1 and M-6 close
Record copy	One signed PDF is the record copy of the issued pack; this markdown is the source of truth it is rendered from. This render was produced on 2026-10-16 from the markdown as it then stood, and the page numbers are read back from it. A render older than the markdown is superseded and may not be served.
Running footer	Supplied by the print pipeline on every page: Paladin AI · insured · exhibit label · page x of y · confidentiality line · ILLUSTRATIVE SAMPLE

Matter parameters. State of the risk: Florida. Governing law: Florida. Forum: claim desk; the policy's appraisal condition is available and is the route proposed in §7; no court proceeding is pending. Carrier status: admitted carrier authorised in Florida; no surplus-lines notice applies; the risk is a deductible programme (the windstorm/hail deductible is the retention), not self-insurance. Appraisal clause: **present** — CP 00 10 10 12 §E.2 and CP 00 30 10 12 §C.1, both checked against the schedule (Exhibit A, rows 1 and 2); **no** mandatory arbitration or mediation endorsement, and **no** anti-public-adjuster, anti-representation or anti-assignment condition appears in the endorsement set (§3.9). Every statutory module below carries an applicability note or a "not applicable — basis" line.

Scope strip (repeated in full at §9.10). The signer adopts the factual allocation of each loss item, the estimate comparison, the business-interruption model and the valuation judgements in §2 and §4–§7, and signs the certification to that extent. The pack does **not** decide: whether the insured has complied with every post-loss condition (stated as facts in §4.6, not adjudicated); any question of law; the correct reading of any statute where a conflict is flagged (§4.6, §4.10); the amount of any award; or the insured's entitlement to attorney fees and costs. **The statutory construction in §4.12 P-1, P-6 and P-7 and in §7.8 is counsel's, not the desk's and not the signer's:** it is adopted by the certification only if the written answers to the question set at Exhibit I form 7 are annexed and in force on the date of signature, and the certification says so on its face. No fee-shifting entitlement is asserted anywhere in this pack (the fee position is stated at §9.4 and is a counsel question). The desk's number has **not** been negotiated, filed or sent by the desk, and no demand has been served on the carrier as at the date of this report.

Basis of preparation (desk's voice). Paladin AI assembled this pack from the documents listed in §3.1, using the methods summarised in §2.4 and the exhibits in §1. The work is AI-assisted; the analysis is built so that a licensed professional can check any cell against a document, and the signer's certification at §9.10 adopts the analysis expressly. The architecture is *modeled on* professional reporting standards (expert-report structure, forensic-accounting practice, appraisal-practice reporting and record-keeping conventions). No USPAP or AICPA compliance is claimed for the signer: whether those standards bind the signer is a question for the signer, and the certification states the signer's own basis.

Figure conventions. Whole dollars unless a unit price is stated; quantities are whole units; monthly totals foot from the rounded line figures. Every figure in this pack carries a document ID (D-*nnn*, §3.1) and an exhibit (Exhibit A–M, §1). The estimate comparison's two documents are stated gross and net of the one conceded exclusion, never mixed (§5.6).

§1 Contents and exhibit register

Contents. Page numbers are the numbers printed on the rendered pages: they are read back from the print render of v1.0 — Letter, 16 mm margins, 9.4 pt text, 7.9 pt tables, **the page count of the current render** — and re-generated whenever a section is added or moved. No placeholder page number appears in the document. One signed PDF is the record copy of the issued pack; this markdown is the source of truth from which that PDF is rendered (§0). The length is set by the module set this pack must carry (matrix, delta schedule, monthly model, notice set and exhibit register); a shorter engagement delivers the same modules at audit depth under §8's scope tiers, and any module reduced is disclosed in the delivery memo.

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Exhibit register. The exhibit PDFs are generated from the workfile and delivered as a set with the pack. This markdown is the narrative, not the exhibit set: **a delivery set that does not contain Exhibits A–M is incomplete and must not be served**, and the pack does not assert that any exhibit has been produced until it is in the folder named in the last column.

Label	Exhibit	What it proves	Workfile location
A	Policy schedule and declarations reconciliation	Every form and endorsement in force with edition, limit, sub-limit, deductible and its base, coinsurance and valuation basis	01-policy/ · Exhibit-A-v1.pdf
B	Coverage matrix and gap register	Each loss item's grant, limit, deductible treatment, condition, exclusion and carve-back, evidence and gap status; the four-status gap register with dollar consequences	10-exhibits/ · Exhibit-B-v1.pdf
C	Cause-of-loss allocation schedule	Item, location and date of each loss with its cause and the evidence for that cause, with the anti-concurrent-cause column	10-exhibits/ · Exhibit-C-v1.pdf
D	Estimate comparison schedule	The delta line by line: both documents' quantities, units, unit prices, the difference, one bucket, evidence ID, authority and counted-once flag	10-exhibits/ · Exhibit-D-v1.pdf + Exhibit-D-v1.xlsx (working file — not the record copy)
E	Evidence register	Document ID → document → page → the figure it supports, for every delta and every assumption	10-exhibits/ · Exhibit-E-v1.pdf
F	Business-interruption model	Monthly but-for and actual build with Net Income loss and continuing operating expenses as separate columns; saved-expense schedule; extra-expense ledger; seasonality and peer exhibits; limit test sheet; bridge	10-exhibits/ · Exhibit-F-v1.pdf + Exhibit-F-v1.xlsx (working file — not the record copy)
G	Assumptions register	Assumption, source, owner, sensitivity, how it is attacked, effect if wrong, exhibit fed; extraordinary assumptions flagged	10-exhibits/ · Exhibit-G-v1.pdf
H	Deadline calendar	Computed date, trigger, source document, owner and escalation rule	10-exhibits/ · Exhibit-H-v1.pdf
I	Forms annex	Engagement scope; signer certification; this exhibit register; appraisal demand model; award-format request; appraiser vetting form and disclosures; the Florida attorney question set; counsel's forum note and confirmation record; the § 627.70152 notice elements; the Civil Remedy Notice worksheet; the mortgagee acknowledgement; the Florida engagement module (Public Adjuster Contract, § 626.8796 affidavit, written appointment)	11-forms/ · Exhibit-I-v1.pdf
J	Evidence packet	Photographs with scale and date; moisture maps and drying logs; dimensioned sketches; invoices; permits; manufacturer manual pages; inspection records	12-evidence/ · Exhibit-J-v1.pdf
K	Correspondence and exchange log	The meaningful-exchange record, each item dated and attributed	07-correspondence/ · Exhibit-K-v1.pdf
L	Cause-of-loss chronology	The dated event sequence behind the causation allocation and the period of restoration	10-exhibits/ · Exhibit-L-v1.pdf

Label	Exhibit	What it proves	Workfile location
M	Carrier-credit reconciliation	What the carrier's estimate got right — unit prices accepted, quantities accepted, items agreed — reconciled line by line	10-exhibits/ · Exhibit-M-v1.pdf

Basis and limitations. Every legal position in this pack — the licence boundary, the water argument, the direction of § 553.844(5), the deductible reading, the coinsurance measure, the pre-suit and bad-faith timing, and the ordinance and flood reservations — is stated pending the Florida attorney review listed in the annexed question set. Until those answers are in writing, no legal position here is put as settled, and the signer adopts the factual allocation and the valuation on that footing.

Division of adoption: the certification at §9.10 adopts the factual allocation, the estimate comparison, the model and the valuation; it adopts the statutory construction at §4.12 P-1, P-6 and P-7 and at §7.8 only if the written answers to the question set are annexed as Exhibit I form 7 and are current on the date of signature. Where they are not annexed, those passages are counsel's analysis carried for information and are expressly **not** adopted by the signer. The answers are recorded against the question numbers in Exhibit I, form 7; the forum note is a separate document at form 8.

Reference rule. Every figure in this pack is cited as Exhibit X, row n (or line n); documents are cited as [D-*nnn*, p. n]. An exhibit that no text references is removed; a text reference with no exhibit behind it is an opinion, and opinions live in §2.5.

§2 Executive summary

2.1 Numbered opinions

Opinion 1 — Building and personal property. The covered replacement-cost scope is **\$652,835** — building \$564,485 and business personal property \$88,350 — and the net payable after the windstorm/hail deductible of **\$325,000** is **\$327,835**. Basis: the rebuild scope in Exhibit D, priced from the contractor proposals and the moisture mapping, less the one item excluded from the claim together with the overhead, profit and sales tax computed on it (§5.4). Exhibit D, Exhibit B.

Opinion 2 — Ordinance or law. The base form's built-in Increased Cost Of Construction pays the **lesser of \$10,000 or 5% of the building limit** — $5\% \times \$6,500,000 = \$325,000$, so **\$10,000** is payable under CP 00 10 10 12 §A.4.e, read from the **10 12** edition that is on the schedule (Sched. row 1, D-002 pp. 1–16); the 06 07 edition was used only as a cross-check of the cap, never as its source. The code exposure on this file is **\$186,000** — the contractor's priced code-cost breakdown, which is the only document that carries the number until the building official's written determination is produced (M-9, O-6) — so the uninsured gap is **\$176,000**, because CP 04 05 Ordinance Or Law Coverage was **not purchased** (offered by the broker on 2025-06-18 and declined; D-024; §4.11). The \$10,000 payment does not depend on the \$186,000. Exhibit B (gap register) and §4.11 (code register).

Opinion 3 — Business income. The business-income loss is **\$876,682**: lost revenue **\$1,195,293** less saved expenses **\$318,611**. Continuing operating expenses of **\$1,077,000** were incurred in both the no-loss and actual columns and are stated separately as CP 00 30 10 12 §C.1 requires; the continuing-expense component of the loss is **\$0** and adding it to the net income loss again would double count (§6.4, §6.15). Exhibit F.

Opinion 4 — Extra expense. Necessary expenses incurred to avoid or minimise the suspension total **\$96,400**, after the salvage deduction on the temporary generator (§6.8). Exhibit F, tab 7.

Opinion 5 — Extended business income; civil authority. The post-reopening ramp-back loss within the form's 60-day window is **\$34,472**, measured the way the form measures business income — a \$47,000 revenue gap less \$12,528 of costs that did not continue (§6.10). Civil authority is **\$0** on the file as it stands: CP 00 30 10 12 §A.5.a pays only for loss caused by *action of civil authority that prohibits access to the described premises*, and no such order is in the inventory (§6.11). The clause's 72 hours is a **waiting period** that delays the start of cover; it is not a test of how long the order lasted. The county curfew and any emergency order are requested at M-7 and the module is open at O-7. Exhibit F, tabs 8 and 9.

Opinion 6 — Limit position. Every claimed coverage is **inside its limit**. The business income, extra expense, extended business income and civil authority coverages share one \$1,500,000 limit; the aggregate claimed is **\$1,007,554**, leaving **\$492,446**. The cap that bites first on the property side is the \$325,000 deductible, not a limit.

Opinion 7 — Difference from the carrier's written valuation. The carrier's first written valuation is **\$412,000**. On the same basis — the same conceded item removed and the same deductible applied — the carrier's figure is **\$41,900** and the rebuilt figure is **\$327,835**. The difference is **\$285,935**. The estimate comparison's gross delta is **\$291,400**, distributed across 19 of its 21 delta lines — method **\$102,747**, quantity **\$95,517**, omission **\$93,136**; \$5,465 of that gross delta is overhead, profit and sales tax computed on the conceded lobby item in each document, and it falls away when the concession is made on both sides (§5.4). The \$10,000 ordinance-or-law payment is additional to the difference and is not mixed into it.

2.2 Deduction ladder

#	Step	Amount	Basis
1	Documented scope, replacement cost, all items as priced	\$703,400	Exhibit D, total line [D-005, D-006, D-007, D-018]
2	Less conceded excluded scope, with the overhead, profit and tax computed on it — lobby surface-water damage	(\$50,565)	trade \$41,000 + overhead and profit \$8,200 + sales tax \$1,365; CP 10 32 08 08 §B.g; Exhibit B, row 12
3	Covered documented scope (RCV)	\$652,835	building \$564,485 + BPP \$88,350
4	Less sub-limit reductions	\$0	mold not claimed; debris removal \$10,200 is inside the \$163,209 sub-limit; pollutant clean-up and fire-department charges not incurred (§4.8)
5	Less coinsurance adjustment	\$0	Agreed Amount (AA) elected; limit ÷ required = \$6,500,000 ÷ \$6,390,000 = 1.017, so no penalty on either path (§4.8)
6	Less deductible — windstorm/hail, 5% of the building limit	(\$325,000)	5% × \$6,500,000 (CP 117 04 15; Schedule, deductible line)
7	Net payable, property coverage	\$327,835	subject to the repair-or-replace condition (§4.7)
8	Plus increased cost of construction	\$10,000	CP 00 10 10 12 §A.4.e — lesser of \$10,000 or 5% × \$6,500,000; the cap is read from the 10 12 page in the file copy (D-002 pp. 1–16), the 06 07 edition used only as a cross-check
9	Plus business income	\$876,682	Exhibit F, the net income loss row
10	Plus extra expense	\$96,400	Exhibit F, tab 7
11	Plus extended business income, on the business-income measure	\$34,472	Exhibit F, tab 8
12	Total net payable, all coverages	\$1,345,389	subject to the post-loss gates at §9.2
13	Carrier's last written valuation on the same basis	\$41,900	\$412,000 – \$45,100 (the conceded item with its carrier overhead) – \$325,000 deductible [D-003, p. 21]
14	Difference (covered property comparison)	\$285,935	\$652,835 against \$366,900; the gross comparison delta of \$291,400 is at §5.4
15	Agreed-value test on the business-income limit, at 50% coinsurance	\$265,043 at risk	50% × (\$1,070,000 + \$3,230,000) = \$2,150,000 required; \$1,500,000 ÷ \$2,150,000 = 0.6977 ; applied to business income the payment would be \$611,639 (§6.13; O-3)

RCV against ACV, stated before the numbers are used. Rows 1–7 and 12 are **replacement cost** figures. No item in this pack is claimed at actual cash value: the insured's recorded election is to repair and replace [D-016 p. 22], and under CP 00 10 10 12 §G.3.d replacement cost is not payable until the property is repaired or replaced. **Amount payable at actual cash value now: \$0 claimed.** M-6 — the signed construction contract or board resolution authorising the rebuild — is outstanding and must be in the workfile before the proof of loss is sworn; row 12 is therefore a demand for the replacement-cost measure on completion, and is labelled that way at §7.1.

2.3 Limit status, one line per coverage

Coverage	Limit	Claimed	Status
Building (CP 00 10 10 12 §A.1.a)	\$6,500,000	\$564,485	Inside; the deductible, not the limit, bites first
Business personal property (§A.1.b)	\$1,200,000	\$88,350	Inside
Increased cost of construction (§A.4.e)	lesser of \$10,000 or 5% of the building limit	\$10,000	At the cap — the cap is the whole payment
Business income + extra expense + extended business income + civil authority (one shared limit, CP 00 30 10 12 §B)	\$1,500,000	\$1,007,554	Inside, by \$492,446
Ordinance or law (CP 04 05 09 17)	not purchased	\$0	Gap — exposure \$186,000, insured only by the \$10,000 ICC; \$176,000 uninsured
Flood	no policy on the file (O-2)	\$0	Gap — the \$41,000 lobby item is excluded from this claim and argued no further; whether a flood policy responded or an offer was made is unresolved (O-2)

2.4 Method summary

Comparison classification. Every difference is one of exactly three things, each dollar in one bucket only: **method** (the wrong legal or technical basis — patch repair against a manufacturer's system requirement, or depreciated value where the policy values replacement cost), **quantity** (the measured scope was wrong; the measurement source is cited on every quantity line) and **omission** (absent entirely, tied to a requirement: a code section, a manufacturer instruction, a permit, an inspection record or a bid). The bucket distribution is counted at §5.4.

Business-interruption projection method. 27 months of monthly profit-and-loss and system history are on file (January 2024 to March 2026). The seasonality series and every same-month baseline are derived from the **21 pre-loss months only** (January 2024 to September 2025); the fourth-quarter 2025 and 2026 months are used in the actual column and are **excluded from any baseline or index derivation**, so the but-for column is never computed from post-loss data. The baseline is a same-month-last-year figure adjusted to the pre-loss budget's documented rate and occupancy plan — an adjusted-budget and run-rate blend, each calendar month measured against its own season and none against an annual average. A revenue-share model was not used, because the interruption falls in the shoulder season, the insured's own monthly series is long enough for a month-specific baseline, and the peer data set discloses peer occupancy but not peer revenue, so it cannot carry a share model (§6.12). The actual column is drawn from the same accounting system on the same cut-off.

2.5 What we do not claim

#	Item not claimed	Why
1	The \$41,000 lobby surface-water item	Excluded from this claim as a scope and valuation concession — not as a finding on causation. The item is claimed in no coverage and argued no further here. Which water reached the lobby — surface water, surge or wind-driven rain — is reserved and is not answered in this pack (row C-7; A-12). CP 10 32 08 08 §B.g is the clause that would exclude surface water if that were the cause. The item is carried on both sides of the comparison so the two documents stay like-for-like. Where this pack says "conceded" it means exactly this: excluded from the claim on this basis and not argued
2	Mold and fungi remediation	No amount is claimed. The file's limited-coverage provision for fungi, wet rot and bacteria has not been located or read in the form copy held (D-002, 55 pp.; no separate fungi endorsement appears on the schedule — open item O-1). The scope treats wet materials as removed and replaced instead, and the proof of loss is not to be sworn until O-1 is closed
3	Code upgrades beyond the built-in increased cost of construction	The \$186,000 code exposure is claimed only to the extent of the \$10,000 ICC; the \$176,000 balance is a coverage gap, not a valuation position
4	Flood-insurance recovery for the conceded item	Not claimed in this pack. Whether a separate flood policy was in force is unresolved (open item O-2), and no amount is asserted

#	Item not claimed	Why
5	Deferred maintenance as a cause of loss, and betterment	Deferred maintenance is not asserted as a cause. Where a component at the end of its service life is replaced, the measure is like-for-like replacement; upgrades sit in the code register, not in the repair scope
6	Any amount not tied to a document	Nothing is asserted without one. Where an input rests on the insured's own records rather than a third party's, §6.14 says so and the assumptions register states the effect if the input is wrong
7	The seven days outside the model — 27 to 30 September 2025 and 29 to 31 January 2026	The model covers 120 days at 30-day blocks from 1 October to 28 January; the four days between the 72-hour waiting period and the first model month, and the last three days of the period of restoration, are not claimed. Both exclusions are conservative: the hotel was still partly closed on 29–31 January
8	Area-wide lingering economic damage after 1 April 2026	Excluded under CP 00 30 10 12 §A.5.c and not claimed
9	October baseline occupancy above the insured's own prior-year actual	The October but-for uses a 74% occupancy baseline drawn from the pre-loss budget and the 2025 booking pace. The only October actual in the file is 61.4% (prior year), so the baseline sits 12.6 points above it. Both are disclosed here and at A-1: adopting 61.4% reduces the aggregate claim by \$61,637 (\$1,007,554 → \$945,917), and the booking-pace export (D-010) is the document that has to carry the difference month by month. No pre-loss renovation or compression uplift is claimed
10	Offsets for grants, recoveries or salvage other than the generator	No policy basis is asserted for an offset. The one salvage item realised is deducted in §6.8; §6.14 records this as a counsel question

2.6 Reproducibility, and what this pack is not

Every delta line carries both documents' quantity, unit, unit price and the evidence behind it; the model's but-for column, actual column, saved-expense schedule and bridge each foot to the dollar; every coverage position cites a form, an edition and a section that resolves to a page of the policy. A reviewer can audit any cell without reading the rest of the pack.

The pack is not a coverage opinion — the signer's licence, not this document, governs who may give one. It is not a negotiation, not a settlement demand unless §7 is separately adopted and served, and not an expert report unless the signer adopts it as such and completes §9.10.

§3 File summary

3.1 Document inventory

No document is cited in this pack unless it appears in this table.

ID	Document (origin; date; pages)	Workfile
D-001	Policy declarations, form and endorsement schedule (carrier/broker; 2025-07-01; 12 pp.)	01-policy/01-decl.pdf
D-002	Policy forms and endorsements (carrier; 2025-07-01; 55 pp.)	01-policy/02-forms.pdf
D-003	Carrier's written estimate and valuation letter (2026-02-27; letter 2026-03-02; 22 pp.)	02-carrier/03-estimate.pdf
D-004	Carrier's engineer's roof report (2025-10-14; 11 pp.)	02-carrier/04-eng.pdf
D-005 / D-006	Roofing and interior contractors' proposals and schedules (2026-01-12; 2026-01-20; 14 and 18 pp.)	03-contractors/
D-007 / D-008	Moisture mapping and drying report, S500 method (2025-10-03; 26 pp.); roof manufacturer installation manual and system guarantee conditions (2013 ed.; 32 pp.)	04-technical/
D-009 to D-012	Monthly profit and loss and general ledger, Jan 2024 – Mar 2026 (27 files); occupancy, rate, booking-pace and room-out-of-service exports, Jan 2024 – Apr 2026 (28 files); payroll registers and retention letters (14 files); bank and merchant-processor statements (10 files)	09-financials/
D-013 / D-014	Permit application, permit and inspection records (county; 2025-10-14; 9 pp.); fire-marshall and elevator service records (6 pp.)	05-permits/

ID	Document (origin; date; pages)	Workfile
D-015	Emergency and relocation invoices with proofs of payment (2025-09-25 – 2026-03-15; 42 pp.)	06-invoices/15-emerg.pdf
D-016	Correspondence file: notice, production, carrier letters, exchange log (31 pp.)	07-correspondence/16-corr.pdf
D-017 / D-018	Photograph log with scale and date (214 images); dimensioned sketches and quantity take-off (6 pp.)	08-photos/ · 04-technical/18-sketch.pdf
D-019 to D-022	Pre-loss budget, 24-month history and Business Income Report/Work Sheet (2025-06-18; 22 pp.); signed tax returns 2024 and 2025; utility, property-tax and insurance billings (30 pp.); broker's statement of values and schedule comparison (2025-06-18; 8 pp.)	09-financials/ · 01-policy/22-sov.pdf
D-023	Market occupancy and rate benchmarking report for the Pensacola Beach drive-market, four comparable Gulf-front properties (subscription data provider; 2026-04-08; 34 pp.)	09-financials/23-market.pdf
D-024	Broker's 2025 coverage review for this risk, including the CP 04 05 Ordinance Or Law offer and the insured's written declination (2025-06-18; 6 pp.)	01-policy/24-review.pdf

3.2 Schedule-versus-PDF reconciliation

Each schedule row was matched to the PDF page range carrying it, and each policy PDF page to a schedule row. **No form appears twice with two edition dates** — the stop-and-resolve defect is not present on this file.

Schedule row	Form / endorsement	Edition	PDF pages	Limit or function
1	CP 00 10 — Building And Personal Property Coverage Form	10 12	D-002 pp. 1–16	building \$6,500,000; BPP \$1,200,000
2	CP 00 30 — Business Income (And Extra Expense) Coverage Form	10 12	D-002 pp. 17–25	\$1,500,000, agreed value
3	CP 10 30 — Causes Of Loss — Special Form	06 07	D-002 pp. 26–39	covered causes; §B exclusions
4	CP 00 90 — Commercial Property Conditions	07 88	D-002 pp. 40–47	loss conditions, legal action
5	CP 10 32 — Water Exclusion Endorsement	08 08	D-002 pp. 48–49	amends §B.1.g of the causes-of-loss form
6	CP 15 10 — Business Income Changes — Payroll Limitation	not attached	—	not in force; the payroll question is answered "no" at §6.7
7	CP 15 11 — Business Income Changes — Power, Heat And Refrigeration Expenses	not attached	—	not in force; the deduction in CP 00 30 §D does not apply
8	CP 117 — Multiple Deductible Form	04 15	D-002 pp. 50–52	\$50,000 all other perils; windstorm/hail 5% of the building limit
9	Endorsement at D-002 p. 53 — number, edition and title are not recorded on the file copy	not recorded	D-002 p. 53	not established — O-9
10	Endorsement at D-002 p. 54 — number, edition and title are not recorded on the file copy	not recorded	D-002 p. 54	not established — O-9
11	Endorsement at D-002 p. 55 — number, edition and title are not recorded on the file copy	not recorded	D-002 p. 55	not established — O-9
—	CP 04 05 — Ordinance Or Law Coverage	09 17	not present	not purchased — the gap at \$4.11

Florida amendatory endorsements. Four Florida pages sit in the schedule at D-001 pp. 9–12, including the hurricane-deductible notice page (D-001 p. 11). **Their text has not been read into this pack.** The pack therefore makes no statement about their effect: it does not say they leave the coverage grants, limits or deductibles unchanged, because that cannot be said of pages that have not been read. Their form numbers and editions are to be recorded in Exhibit A tab 3 when they are read; until then they are open item O-9. The deductible figure at §4.8 is taken from the schedule row and CP 117 04 15, not from the notice page. The policy period is 2025-07-01 to 2026-07-01, and 2025-07-01 is the last anniversary before the loss.

3.3 Declarations extract

Item	Value	Schedule line
Named insured / described premises	Sample Coastal Hospitality LLC / Pensacola Beach hotel, five floors, 96 rooms	Sched. lines 1–2
Policy period	2025-07-01 to 2026-07-01; last anniversary 2025-07-01 — the date the business-income coinsurance measurement runs from	Sched. line 1
Building limit	\$6,500,000	Sched. line 3
Business personal property limit	\$1,200,000	Sched. line 4
Business income limit	\$1,500,000 per occurrence, 12-month period	Sched. line 5
Extra expense	shares the business income limit; no separate limit	Sched. line 5
Business income agreed value	elected — \$1,500,000 on the schedule, stated by the Business Income Report/Work Sheet dated 2025-06-18. Whether the work-sheet's own computation reconciles to \$1,500,000 has not been verified (O-3)	Sched. line 6 [D-019]
Business income coinsurance percentage	50% shown in the declarations. The agreed value option governs if the carrier honours it , ratio 1.000. If it does not, the policy's own 50% test requires $50\% \times (\$1,070,000 + \$3,230,000) = \mathbf{\$2,150,000}$ and the ratio is 0.6977 — a \$265,043 exposure, stated at \$6.13 and carried into the demand at \$7.1	Sched. line 6
Maximum Period of Indemnity / Monthly Limit of Indemnity	not elected	Sched. line 6
Deductible — all other perils	\$50,000 per occurrence	Sched. line 8
Deductible — windstorm or hail	5% of the Limit of Insurance applicable to the building at the described premises, per occurrence, minimum \$100,000	Sched. line 8
Deductible — business income	none by dollar amount; the form's 72-hour waiting period applies at the start of the period of restoration	Sched. line 5
Property coinsurance	90% shown in the declarations; suspended by the Agreed Amount (AA) election, CP 00 10 10 12 §G.1	Sched. lines 3–4
Valuation legend	Building RC; BPP RC; no ACV/roof endorsement on the schedule	Sched. lines 3–4
Scheduled items	lobby artwork, \$125,000 scheduled — not damaged and not claimed (§4.2)	Sched. line 9

3.4 Carrier's valuation history

Date	Document	Amount	What it values
2026-02-27	D-003 (estimate)	\$412,000	Property damage; states that the business-interruption claim "remains under review"
2026-03-02	D-003 (letter)	—	Reserves on causation for the lobby water; asserts partial repair-based roofing scope; applies depreciated value to furniture, fixtures and equipment
2026-03-27	D-016 p. 19	—	No further valuation issued; no payment made to date; no advance paid

3.5 Missing items

#	Item asked for	Date asked	Effect on the opinion
M-1	Bundle 2 of the county permit file for the original 2004 roof installation	2026-03-11	Bears on the retained portion of the roofing system only: the rebuild replaces the full 10,000 sq ft field, so the \$186,000 conformance cost is incurred either way, and a 2007-or-later permit does not narrow the gap (open item O-4)
M-2	Certified copy of any separate flood policy in force at the loss date	2026-03-11	The excluded \$41,000 lobby item's recovery route is unconfirmed; no amount is claimed here (open item O-2)
M-3	The carrier's claim-file index and the adjuster's field notes	2026-03-20	Whether these can be compelled pre-suit is a counsel question; the request is preserved in writing and the position is recorded as open
M-4	Roof manufacturer's issued guarantee certificate and installer certification	2026-03-11	Supports the system-replacement method requirement; the manual and guarantee conditions are on file (D-008)
M-5	The insured's executed copy of the 2025 broker coverage review (the CP 04 05 offer)	2026-03-18	Supports the "available but not purchased" status at §4.11; the broker's own review is on file at D-024, the insured's executed copy is not
M-6	A signed construction contract or a board resolution authorising the rebuild	2026-04-14	Replacement cost is payable only after repair or replacement (§4.7); the file holds proposals and a permit, so the opinion is stated on the insured's written election, and the contract must be in the workfile before payment
M-7	The county curfew and any order of civil authority for 2025-09-24 to 2025-09-26	2026-04-24	Determines whether CP 00 30 10 12 §A.5.a is engaged at all. The module is claimed at \$0 until a qualifying order is produced, and the reason for the \$0 is the absence of the order, not its duration (O-7)
M-8	The NHC storm-surge record and the nearest tide-gauge reading for 2025-09-24	2026-04-24	A primary record for the no-surge finding at A-12, which currently rests on the carrier's engineer's water-line observation and the photograph log (O-8)
M-9	The county building official's written determination on the §706.1.1 code line	2026-04-24	Grounds the \$186,000 code exposure in the jurisdiction's position rather than in the contractor's appendix; the \$10,000 ICC payment does not depend on it (O-6)

3.6 Expert and engineering reports

Report	Author	Date	Where the pack agrees, and where it does not
D-004, roof condition and cause	Carrier's engineer	2025-10-14	Agreed: wind uplift breached the membrane and the path of water entry is as described. Not agreed: the report's conclusion (p. 7) that the membrane can be patched; the manufacturer's system conditions (D-008 pp. 12–14) require full-field replacement of the covered system when the field is opened for replacement, and the measured damaged field is 10,000 sq ft
D-007, moisture mapping and drying	Independent restorer	2025-10-03	Agreed in full; it is the measurement source for the 31-room interior scope and for the drying scope
D-013/D-014, permit and inspection records	County / contractor	2025-10-14 to 2026-01-28	Agreed; they date the period of restoration and are the reason the re-opening sequence is as modelled (§6.3)

3.7 Carrier position register

Date	Carrier document	Grounds invoked	Deadline it sets	File response
2026-03-02	D-003 letter	Repair-based roofing scope; depreciated FF&E; causation reserved on the lobby water; business income "under review"	None stated	Written response 2026-03-20 (D-016 p. 22) with the rebuild scope and the moisture report; explanation requests served 2026-03-06 and 2026-03-30 (§9.6)
2026-03-06	D-016 p. 8	Sworn proof of loss requested; forms supplied	60 days from request — day 60 is 2026-05-05	Proof of loss planned for delivery 2026-04-28 (§9.1–9.2)
2026-03-27	D-016 p. 19	Reservation of rights on causation, ordinance and law and the flood item	None stated	Coverage positions stated in writing in the separate letter at §4.12, reserved from the appraisal

3.8 Preservation and inspection record

The insured was instructed in writing on **2025-09-25** to preserve debris, damaged materials, samples, records and the ability to inspect (D-016 p. 2). Removal of damaged materials was staged and photographed with scale and date before disposal (D-017; D-018). The carrier's engineer inspected on 2025-10-01 and again on 2025-10-16; the insured permitted both inspections and produced the moisture data (D-007; D-016 p. 5). Two retained samples of the membrane, insulation and decking are held in the workfile and are available for joint inspection on request.

3.9 Endorsement eligibility screen

Condition screened	Result	Where recorded
Anti-public-adjuster or anti-representation condition	None in the endorsements whose text has been read (D-002 pp. 48–52). D-002 pp. 53–55 are unidentified and D-001 pp. 9–12 are unread, so the screen is not stated for those pages (O-9)	D-002 pp. 48–52; §4.1; O-9
Anti-assignment condition	None; the policy's assignment clause contains no consent condition beyond the form's standard terms	D-002 p. 44
Mandatory arbitration or mediation endorsement	None; the only dispute clause is the appraisal condition	§7.5
Appraisal clause	Present: CP 00 10 10 12 §E.2; CP 00 30 10 12 §C.1	Exhibit A, rows 1–2
Client of record and licence	The commissioning party is a licensed firm; the signer's Florida public adjuster licence is verified active for the state of the risk before signature	§8, §9.10

3.10 Open items appendix — UNSIGNED; not adopted by the signer

These are genuine unknowns. They are excluded from the opinions in §2.1 and from the certification at §9.10; where a number would otherwise be required, none is stated.

ID	Open item	Effect if it resolves against the position taken in this pack
O-1	The limited-coverage provision for fungi, wet rot and bacteria has not been located or read in the 55-page form copy (D-002), and no separate fungi endorsement appears on the schedule. No mold remediation is claimed	The claim could increase by the provision's sub-limit if it applies. The proof of loss is not sworn until O-1 is closed. No amount is stated
O-2	Whether a separate flood policy was in force at the loss date (M-2)	The \$41,000 lobby item may be recoverable elsewhere; the coverage position in this pack is unchanged
O-3	Whether the carrier will honour the business income agreed value (Sched. line 6) or fall back to the 50% coinsurance test. The declared agreed value is 70% of what the policy's own 50% test requires (\$1,500,000 ÷ \$2,150,000 = 0.6977), and the worksheet has not been reconciled to the schedule figure	The business income payment falls from \$876,682 to \$611,639 on the stated treatment — a \$265,043 exposure. The demand states the \$1,080,346 floor beside the contended total, and §6.13 states the ratio (§7.1). Whether the worksheet supports \$1,500,000 is a question of fact on D-019 pp. 6–8; if it does not, the agreed-value position is an argument , not a schedule reading, and is labelled as one
O-4	The original 2004 roof permit file (bundle 2)	A 2007-or-later permit bears on the retained portion only. Because the rebuild replaces the full 10,000 sq ft field, the \$186,000 conformance cost is incurred either way: the item cannot zero the code line or the \$176,000 gap, and the full-field replacement method stands on the manufacturer's system requirement (D-008 pp. 12–14) in any event
O-5	Whether the carrier will require examinations under oath	Adds a scheduling obligation; no effect on the valuation
O-6	Two further code lines considered and not asserted — a roof-insulation upgrade to current energy-code values and rooftop mechanical supports to current wind provisions. The adopted code sections have not been read in the county's edition and no document supports an amount. The asserted \$186,000 line rests on the contractor's priced breakdown (D-005 app. 2) and the code register's "shall"; the building official's written determination is requested at M-9 and is not in the file	Nothing is claimed for either unasserted line; if they were grounded and required, the code gap could rise by their amount, which is unquantified here. The asserted line is stated as the contractor's priced position until M-9 is produced

ID	Open item	Effect if it resolves against the position taken in this pack
O-7	No order of civil authority prohibiting access to the described premises is in the inventory (M-7). The correspondence file records a county curfew on 2025-09-24 to 2025-09-26; the order itself is not on file	If a qualifying order is produced, CP 00 30 10 12 §A.5.a could respond from 72 hours after the first action for up to four consecutive weeks. Until then the module is claimed at \$0 , and the reason given is the absence of the order, not its length
O-8	The primary surge record — the NHC record and the nearest tide gauge — is not in the inventory (M-8). The no-surge finding rests on the carrier's engineer (D-004 p. 5) and the photograph log (D-017 images 185–204)	If a primary record showed surge inside the guest-room floors, A-12 would fail and the interior and FF&E claim would fall away. The finding is stated as an assumption, not as a fact proved to the standard the rest of the pack uses
O-9	Two groups of endorsements are unread : D-002 pp. 53–55 (numbers, editions and titles not recorded on the file copy) and the four Florida amendatory and notice pages at D-001 pp. 9–12, including the hurricane-deductible notice page. The endorsement-eligibility screen at §3.9 is stated only for the pages whose text has been read	A Florida amendatory, suit-limitation or notice endorsement could change a grant, a limit or a condition analysed in this pack. Nothing in the pack is stated as a finding about these pages, and the screen at §3.9 is qualified accordingly

§4 Coverage

4.1 Declarations reconciliation

The schedule is Exhibit A; the form-by-form reconciliation against the policy PDF is §3.2. Deductible bases are stated as the schedule and CP 117 04 15 print them; no percentage deductible in this pack is used without its base.

Form / endorsement	Edition	Limit or function	Deductible and base	Coinsurance / valuation	Effective
CP 00 10 — Building And Personal Property Coverage Form	10 12	building \$6,500,000; BPP \$1,200,000	AOP \$50,000 per occurrence; windstorm/hail 5% of the building limit , minimum \$100,000	Agreed Amount elected; RC valuation; agreed value \$6,500,000	2025-07-01
CP 00 30 — Business Income (And Extra Expense) Coverage Form	10 12	\$1,500,000; extra expense and extended business income share it	none by dollar amount; 72-hour waiting period at the start of the period of restoration	Agreed value \$1,500,000 (Business Income Report/Work Sheet, D-019); coinsurance percentage shown: 50%	2025-07-01
CP 10 30 — Causes Of Loss — Special Form	06 07	covered causes; §B exclusions; anti-concurrent-cause preamble	deductible per CP 117	RC valuation legend applies	2025-07-01
CP 00 90 — Commercial Property Conditions	07 88	loss conditions; legal action (§D)	—	—	2025-07-01
CP 10 32 — Water Exclusion Endorsement	08 08	amends §B.1.g of the causes-of-loss form	—	—	2025-07-01
CP 117 — Multiple Deductible Form	04 15	calculation clause: the percentage is applied to the applicable Limit of Insurance for the covered property at the described premises	as above	—	2025-07-01
CP 15 10 / CP 15 11	not attached	payroll limitation and power/heat/refrigeration changes not in force	—	—	—

Eligibility conditions are screened at §3.9. **One reconciliation note:** the deductible clause's application to an occurrence is the subject of a flagged reading at §4.8; the pack does not treat the point as settled.

4.2 Coverage matrix (Exhibit B, part 1)

Loss item	Cause, location, date	Grant	Limit	Deductible	Condition	Exclusion / carve-back	Evidence	Gap
Roof assembly — membrane 10,000 SF, decking 3,900 SF, insulation, flashings	Wind, roof, 09-24	CP 00 10 10 12 §A.1.a	bldg \$6.5M	wind ded.	§E.3; §G.3.d	CP 10 30 06 07 §B.1.a / CP 00 10 10 12 §A.4.e(8)	J-1 to J-4 [D-017; D-004 p. 3; D-018]	Covered
Guest rooms, floors 4–5 — 22 rooms	Wind-driven rain through the breached envelope, 09-24	§A.1.a	bldg \$6.5M	wind ded.	§E.3; §G.3.d	CP 10 32 08 08 §B.g: rain is not one of the enumerated waters — argument, not a carve-back	J-5 [D-007 pp. 4–12; D-017 80–162]	Covered
Guest rooms, floor 3 — 9 rooms	Water migration from the breach, 09-25/26	§A.1.a	bldg \$6.5M	wind ded.	§E.3; §G.3.d	CP 10 32 08 08 §B.g: migration from the covered breach, not an enumerated water	J-6 [D-007 pp. 13–18; D-018 tab 4]	Covered
Bathroom stone, 420 SF; interior insulation, 2,400 SF	Wind-driven rain, 09-24	§A.1.a	bldg \$6.5M	wind ded.	§E.3	—	J-6 [D-018 tab 5; D-007 pp. 9–14]	Covered
FF&E, 31 rooms	Wind-driven rain, 09-24	§A.1.b	BPP \$1.2M	wind ded.	§G.3 RC election	§G.3.f — code costs excluded	J-6 [D-017 100–180; D-003 p. 14]	Covered
Temporary protection and dry-in	Wind, 09-26	covered property under §A.1.a; the expense is recorded under the duty at §E.3.a(4), which the form sends to "consideration in the settlement of the claim" — not a separate coverage grant	within the limit	wind ded.	reasonable steps; expenses recorded	—	J-8 [D-015 inv. 1–9]	Covered as part of the property claim (§4.8)
Debris removal and demolition	Wind, from 09-27	§A.4.a(3)(b)	25% × (\$325,000 + \$327,835) = \$163,209, plus \$25,000	wind ded.	reported in writing within 180 days — done 2026-02-10	—	J-8 [D-016 p. 12; D-015 inv. 10–14]	Covered
Water extraction and drying	Wind, 09-25	§E.3.a(4)	within the limit	wind ded.	recorded expenses	—	J-9 [D-015 inv. 15–24]	Covered (agreed)

Loss item	Cause, location, date	Grant	Limit	Deductible	Condition	Exclusion / carve-back	Evidence	Gap
Lobby water damage, \$41,000	Carrier's cause: surface water, lobby, 09-24; not determined	none claimed	—	—	—	CP 10 32 08 08 §B.g would exclude surface water if that were the cause; no finding made	J-7 [D-017 190–204; D-004 p. 7]	Excluded from the claim (C-7); causation reserved
Mold remediation	—	none claimed	—	—	—	limited-coverage provision unread	—	Not claimed (O-1)
Lobby artwork, scheduled \$125,000	Not damaged	§A.1.b	\$125,000	—	—	—	J-10 [D-017 205–214]	Covered — \$0 claimed
Business income, four months	Wind, from 09-27	CP 00 30 10 12 §A.1.a	\$1.5M shared	72-hour waiting period	§C.2.a(8) resume quickly; §C.1 appraisal	§A.5.c area carve-out (EBI)	Exhibit F [D-009; D-010; D-019]	Covered
Extra expense	Wind, from 09-24	§A.2	shares \$1.5M	period begins immediately	necessity test twice per item	§C.3.b salvage and other insurance	F tab 7 [D-015]	Covered
Extended business income	Post-reopening ramp, from 2026-02-01	§A.5.c	shares \$1.5M; 60 days	—	—	area-wide conditions excluded	F tab 8 [D-010]	Covered
Civil authority	—	§A.5.a — action of civil authority that prohibits access to the described premises	shares \$1.5M; cover begins 72 hours after the first action and runs up to four consecutive weeks	—	a qualifying order; 72 hours is a waiting period, not a duration test	—	no qualifying order in the inventory [D-016 p. 4 records a curfew]	Not claimed — \$0 (O-7, M-7)
Ordinance or law — code compliance	FBC 8th ed. (2023)	CP 00 10 10 12 §A.4.e only	lesser of \$10,000 or 5% of the building limit	wind ded. absorbed	repair or replace	§B.1.a, carved back only to §A.4.e	§4.11 code register	Covered but capped — \$10,000

Citation legend for this table. A bare § cite is to the form and edition in the row's Grant cell, and a bare §A. or §E. cite in a CP 00 10 row is to CP 00 10 10 12; code cites are to the 8th edition (2023). Every row's form and edition appears in full in §4.1 or §3.2.

Six-row page shape, applied to the two principal blocks. Building and BPP: *Grant* §A.1.a–b → *Limit* \$6.5M / \$1.2M (Sched. lines 3–4) → *Deductible* CP 117 04 15 windstorm/hail 5% of the building limit → *Conditions* §E.3 duties, §E.4 loss payment, §G.3.d repair or replace → *Exclusion and carve-back* CP 10 30 06 07 §B.1.a and CP 10 32 08 08 §B.g, carve-back CP 00 10 10 12 §A.4.e(8) → *Evidence* Exhibits D, E, J. Business income and extra expense: *Grant* CP 00 30 10 12 §A.1.a, §A.2 → *Limit* \$1.5M shared with civil authority and extended business income (§B) → *Deductible* 72-hour waiting period, no dollar deductible (Sched. line 5) → *Conditions* §C.1 appraisal, §C.2 duties including resume as quickly as possible, §C.3 loss determination → *Exclusion and carve-back* §A.5.c area-condition carve-out, the §C.3.a(2) surge exclusion applied symmetrically → *Evidence* Exhibits E, F, K.

4.3 Causes-of-loss identification

The causes-of-loss form is **CP 10 30 06 07**, Special Form (Sched. row 3, D-002 pp. 26–39). Its §B exclusions answer to the special-form allocation: once the insured shows a loss apparently within the terms, the carrier must prove the loss arose from an excepted cause — the allocation comes from case law, not from the form's text: *Jones v. Federated Nat'l Ins. Co.*, 235 So. 3d 936 (Fla. 4th DCA 2018), quoting *Phoenix Ins. Co. v. Branch*, 234 So. 2d 396 (Fla. 4th DCA 1970). **The two passages are reconciled, not left side by side:** *Jones* is an anti-concurrent-cause and efficient-proximate-cause decision, and this form carries an anti-concurrent-cause preamble, so the burden-shifting proposition is stated subject to that preamble rather than instead of it. The **anti-concurrent-cause preamble** in CP 10 30 06 07 leads the §B exclusions in these terms: "*Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.*" The pack confronts it rather than working around it: the allocation at §4.5 gives one cause per row with the evidence for that row, and where the file cannot separate the causes the item is excluded from the claim rather than argued on sequence. The operative consequence on this file is the lobby item — excluded from the claim in full — and the engagement of the water exclusion there and only there.

4.4 Exclusion register (Exhibit B, part 2)

Exclusion	Clause text, substance	Does it apply?	Its exceptions and carve-backs	The pack's answer
Ordinance Or Law	CP 10 30 06 07 §B.1.a — loss from enforcement of any ordinance or law regulating construction, repair or use	Applies to code-driven cost	CP 00 10 10 12 §A.4.e(8): the additional coverage "not subject to the terms of the Ordinance Or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage"; §A.4.e(9): the base repair and replacement cost excludes code costs	\$10,000 ICC payable; the \$176,000 balance is a gap stated once, in G-2 (§4.11, §4.9)
Water	CP 10 32 08 08 §B.g — the endorsement's water exclusion, which replaces the causes-of-loss form's §B.1.g and broadens it: flood, surface water, waves including tsunamis, tides, tidal water, storm surge, overflow of any body of water and spray "whether or not driven by wind", water under the ground surface, and waterborne material, "regardless of whether any of the above ... is caused by an act of nature or is otherwise caused"	Applied to the lobby item for comparison purposes only : that item is excluded from this claim and is not argued, and the causation question is reserved (C-7). As to the interior items it is an argument , not a carve-back: rain admitted through a wind-created opening is not one of the enumerated waters	The only express carve-back the endorsement keeps is the base form's fire, explosion or sprinkler-leakage carve-back, which does not assist here	The lobby item is excluded from the claim at Exhibit D row 13; the interior items are argued on the enumerated-waters point at §4.5 and are not described as a carve-back

Exclusion	Clause text, substance	Does it apply?	Its exceptions and carve-backs	The pack's answer
Water Exclusion Endorsement	CP 10 32 08 08, Sched. row 5 — this is the operative water text , not a restatement of the base form: it replaces §B.1.g (see the row above)	Yes, and it is the clause cited wherever the pack applies the water exclusion	The fire, explosion and sprinkler-leakage carve-back is retained; nothing in the endorsement touches the §E.3.a(4) duty to protect property	Protection and dry-in costs of \$21,400 are carried inside the property claim at Exhibit D row 17, on the footing that §E.3.a(4) is a duty whose recorded expenses are for "consideration in the settlement of the claim" (D-015 inv. 1–9); they are not claimed as a separate coverage
Concealment, misrepresentation or fraud	CP 00 90 07 88 §A	Not applicable on the record	—	Each figure in the pack carries a document ID; the proof of loss is sworn by the insured (§9.1)
Vacancy	CP 00 10 10 12 §E.6 — the base form's own terms (31 % occupancy / 60 consecutive days / 15 % reduction); no vacancy endorsement is on the schedule	Not triggered: the clause operates where the building has been vacant for more than 60 consecutive days before the loss; the hotel traded at 71 % occupancy in the week ending 2025-09-20 [D-010]	—	Recorded with the occupancy data rather than argued
Any exclusion the carrier has not invoked	—	Not conceded	—	No exclusion is conceded as to causation . One item is excluded from the claim — the lobby item at §5.6 — and its exclusion is not argued; the water source there is reserved (C-7)

4.5 Cause-of-loss allocation schedule (Exhibit C)

Row	Item / location	Date	Cause	Evidence for that cause	ACC preamble column
C-1	Roof membrane field, roof	2025-09-24	Wind uplift, membrane breach	[D-017 images 1–38; D-004 p. 3]	Excluded cause contributes: none identified
C-2	Roof decking, roof	2025-09-24	Wind uplift followed by water saturation	[D-017 images 39–71; D-018 tab 2]	none identified
C-3	Roof insulation, flashings	2025-09-24	Wind; saturation after breach	[D-018 tab 3; D-008 pp. 12–14]	none identified
C-4	22 rooms, floors 4–5	2025-09-24	Wind-driven rain through the breach	[D-007 pp. 4–12; D-017 images 80–162]	none identified
C-5	9 rooms on floor 3, and the floors 1–2 public areas and guest-room corridors that required drying	2025-09-25/26	Downward migration and saturation from the breached assembly	[D-007 pp. 13–22; D-018 tab 4; D-015 inv. 15–24]	none identified
C-6	FF&E, 31 rooms	2025-09-24	Wind-driven rain	[D-017 images 100–180]	none identified
C-7	Lobby, 900 SF	2025-09-24	Not determined — surface water is the carrier's position	[D-017 images 190–204; D-004 p. 7]	Not claimed here: the item is excluded from this claim as a scope and valuation concession and is not argued. The exclusion is not conceded as to causation, and no finding is made that the exclusion applies regardless of sequence. The water source at the lobby remains reserved (A-12, O-8)
C-8	Electrical, HVAC, elevator controls	2025-09-24/25	Wind-driven rain and moisture	[D-014; D-017 images 163–189]	none identified

No row carries two causes in one cell.

4.6 Conditions and duties compliance log

Duty	Clause	Date performed	Document	Performance
Notice of loss	CP 00 10 10 12 §E.3.a(2)	2025-09-25	[D-016 p. 1]	Within one day of landfall
Protect the property; record expenses	§E.3.a(4)	2025-09-26 onward	[D-015 inv. 1–9]	Emergency dry-in complete 2025-09-26; expenses recorded
Inventory of damaged property	§E.3.a(5)	2025-10-10	[D-017; D-018]	Submitted 16 days after the loss; the delay is stated and no prejudice is identified
Books and records	§E.3.a(6)	2026-03-20	[D-009 to D-012, D-019 to D-021]	Produced on request; the production index maps each carrier request to a produced document
Signed, sworn proof of loss, within 60 days of request	CP 00 10 10 12 §E.3.a(7); CP 00 30 10 12 §C.2.a(6) for the time-element claim	requested 2026-03-06; planned 2026-04-28	§9.1–9.2	Day 60 is 2026-05-05; the insured is the declarant; one proof covers both forms' conditions
Examination under oath	CP 00 10 10 12 §E.3.b; CP 00 30 10 12 §C.2.b	not requested	—	Open item O-5
Cooperation	§E.3.a(8)	2025-10-01, 2025-10-16	[D-016 p. 5]	Two carrier inspections permitted; records produced
Resume operations as quickly as possible	CP 00 30 10 12 §C.2.a(8)	2025-12-01, 2026-02-01	§6.9 [D-013; D-014; D-005]	40 rooms, then full 96
Mortgageholder's proof of loss	CP 00 10 10 12 §F.2.d(2)	—	§9.7	The mortgageholder may submit its own; noticed 2026-04-10

Flagged conflict, not resolved. CP 00 90 07 88 §D.2 limits legal action to **2 years** after the date of direct physical loss. Florida Statutes § 95.03 makes any contractual shortening of a limitations period **void**, and § 95.11(2)(e) places an action for breach of a property insurance contract in the five-year group — *"[n]otwithstanding paragraph (b), an action for breach of a property insurance contract, with the period running from the date of loss."* Both are quoted and the call is left to counsel in writing; the file is diarised to the earlier date (§4.10).

4.7 Valuation section

Item class	Basis	Clause	Depreciation	Holdback and precondition	Documented cost basis
Building repairs and replacement	Replacement cost	CP 00 10 10 12 §G.3; §E.7	None applied (the carrier applied depreciation to no building item)	RC is payable only after the property is actually repaired or replaced — §G.3.d , quoted: <i>"We will not pay on a replacement cost basis for any loss or damage: (1) Until the lost or damaged property is actually repaired or replaced; and (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage."</i> The insured has solicited the proposals, permitted the works and elected in writing to repair and replace [D-005; D-006; D-013; D-016 p. 22]; the signed contract or board resolution is M-6	Contractor proposals with unit prices [D-005; D-006]; unit prices and their basis in §5.3

Item class	Basis	Clause	Depreciation	Holdback and precondition	Documented cost basis
Business personal property (FF&E)	Replacement cost	§G.3.a election, and the least-of cap in §G.3.e , quoted: <i>"We will not pay more for loss or damage on a replacement cost basis than the least of: (1) The Limit of Insurance applicable to the lost or damaged property; (2) The cost to replace the lost or damaged property with other property of comparable material and quality and used for the same purpose; or (3) The amount actually spent that is necessary to repair or replace the lost or damaged property."</i> ; §E.7	The rebuild applies none. The carrier's ACV figures (\$925 per room for soft goods on a \$1,150 replacement cost; \$1,340 on \$1,700) are recorded in Exhibit D and rejected: the RC option applies and no item is excluded from it	Same RC precondition. §G.3.e is a cap, not a grant : it tells the carrier the most it will pay and does not entitle the insured to replace undamaged property. The carpet row is asserted as a measured quantity difference, not on this clause (§5.4 row 8)	Manufacturer and supplier price lists for like quality [D-006 app. 3]
Items not repaired or replaced	Actual cash value	§E.7; §G.3.d	No item on this file is claimed on an ACV basis, so no ACV column appears in Exhibit D and none is promised here. If an ACV claim is later made, the ACV is stated per item and added to Exhibit D as a column; until then the honest answer is that the pack contains no ACV figure at all	Election and 180-day window: the insured's election is to repair and replace, recorded 2026-03-20 [D-016 p. 22], three days inside the window that closes 2026-03-23 (180 days from the 2025-09-24 loss). The election and its transmittal are Exhibit I form 13 and the date is calendared at §4.10	Same

4.8 Limits, sub-limits and the deduction ladder

Per-occurrence limit. Building \$6,500,000; BPP \$1,200,000 (Sched. lines 3–4). Neither is approached.

Sub-limits, each cited and tested.

Sub-limit	Amount and formula	Tested against the claim
Debris removal	CP 00 10 10 12 §A.4.a(3)(b) — 25% of the sum of the deductible plus the amount we pay for direct physical loss: \$325,000 + \$327,835 = \$652,835 × 25% = \$163,209 , plus up to an additional \$25,000 where the reported expense exceeds that sum; expenses payable only if reported in writing within 180 days	Claimed \$10,200 — inside. Reported 2026-02-10, within 180 days of the 2025-09-24 loss [D-016 p. 12]
Protection of property	§E.3.a(4) is a duty, not a grant. It obliges the insured to take reasonable steps and to keep a record of the expenses, and the form sends those expenses to "consideration in the settlement of the claim". §A.4.b is not an expense coverage either: it pays direct damage to property moved and stored within 30 days, and no moved property was damaged on this file	No separate line and no separate sub-limit. \$21,400 of emergency dry-in and protection is carried inside the property claim at Exhibit D row 17, on invoices 1–9 (2025-09-26 to 2025-10-24) [D-015]. If it were not allowed in the settlement, row 17 would fall away in full; it does not survive as a coverage of its own
Pollutant clean-up	\$10,000 per premises per 12 months, written report within 180 days	Not incurred — \$0
Fire department service charge	\$1,000	Not incurred — \$0
Increased cost of construction	Lesser of \$10,000 or 5% of the building limit	At the cap: \$10,000 (§4.11)
Fine arts scheduled item	\$125,000	Not damaged — \$0

Coinsurance / agreed value. Agreed Amount is elected for building and BPP (Sched. lines 3–4; CP 00 10 10 12 §G.1, which suspends the coinsurance condition to the extent of that election), so the coinsurance condition does not apply to the covered property; for completeness the ratio is computed on the 90% coinsurance percentage the declarations show: required = 90% × building replacement value at the time of loss (\$7,100,000 per the broker's statement of values, D-022) = **\$6,390,000**; limit ÷ required = \$6,500,000 ÷ \$6,390,000 = **1.017**, so no penalty arises on either path. The business income coinsurance ratio is computed at §6.13.

Deductible schedule entry. Sched. row 8 reads: all other perils **\$50,000** per occurrence; **windstorm or hail — 5% of the Limit of Insurance applicable to the building shown in the Schedule, per occurrence, subject to a minimum of \$100,000** (CP 117 04 15; D-001 deductible page, D-002 pp. 50–52). The form's own Calculation of the Deductible clause applies the percentage to the applicable Limit of Insurance for the covered property at the described premises; the 5% and the \$100,000 minimum are schedule entries, not printed form text. On this file: 5% × \$6,500,000 = **\$325,000**; the \$100,000 minimum does not bite.

Reading applied, and the alternative flagged. The reading applied is that the windstorm/hail deductible is a single per-occurrence retention applied once to the total covered loss at the described premises from that occurrence, replacing the all-other-perils deductible: \$652,835 – \$325,000 = **\$327,835**. The alternative reading — the windstorm/hail deductible applied to the building loss and the \$50,000 all-other-perils deductible applied separately to the business personal property loss, which CP 00 10 §D's separate-limit language supports — produces \$239,485 + \$38,350 = **\$277,835**, a **\$50,000** difference. The applied reading is the one the clause's words support and it is stated so the carrier can answer it in writing; the alternative is flagged for the signer and for counsel, not resolved here.

4.9 Gap register

Four statuses only; each matrix row appears exactly once, with its dollar consequence.

#	Item	Status	Cap and formula	Dollar consequence	Proof
G-1	Building and BPP repair and replacement, including debris removal (inside its sub-limit) and protection costs	Covered	limit, then deductible	\$652,835 gross; \$327,835 net; no sub-limit reduction	Exhibit D; §4.1, §4.8
G-2	Increased cost of construction	Covered but capped	lesser of \$10,000 or 5% × building limit = \$10,000	\$10,000 claimed; \$176,000 uninsured — the code gap is counted here and nowhere else	CP 00 10 10 12 §A.4.e; §4.11
G-3	Fungal remediation	Not claimed — provision unread	—	No amount	Open item O-1
G-4	Lobby water damage	Excluded from the claim; causation reserved	CP 10 32 08 08 §B.g would exclude surface water; the item is excluded from the claim rather than conceded as to cause	\$41,000 not claimed; carried on both sides of the comparison	[D-017 190–204]; C-7
G-5	Flood coverage for the conceded item	Available but not purchased — no flood policy is on the file, and whether an offer was made is unconfirmed	a separate flood policy would have responded	\$41,000 uninsured here; recovery route open	Open item O-2; no flood policy in §3.1
G-6	Ordinance or law coverage (Coverages A, B, C)	Available but not purchased	CP 04 05 09 17 — demolition, loss in value of undamaged portions, increased cost, combined limit, two-year Coverage C condition	the coverage that would have paid the G-2 balance; no separate amount , so the gap is not counted twice	Broker's coverage review with the offer and the declination, 2025-06-18 [D-024]; the insured's executed copy is still outstanding (M-5)
G-7	Scheduled artwork	Covered, no loss	\$125,000 scheduled	\$0	[D-017 205–214]

#	Item	Status	Cap and formula	Dollar consequence	Proof
G-8	Business income and extra expense	Covered	\$1.5M shared; agreed value ratio 1.000	\$1,007,554 claimed; \$492,446 headroom	\$6.13
—	Register total, counted once			\$176,000 of code exposure uninsured (G-2), plus the \$41,000 conceded item whose recovery route is open (G-5, O-2)	\$4.11

4.10 Deadline calendar (Exhibit H)

Date	Trigger and event	Source	Owner	Escalation rule
2025-09-25	Notice of loss given	D-016 p. 1	Insured's manager	Closed
2026-02-10	Debris-removal expense reported in writing (180-day condition met)	D-016 p. 12	Desk	Closed
2026-03-06	Carrier's written proof-of-loss request; day 60 = 2026-05-05	D-016 p. 8	Desk, then insured	If the sworn proof is not delivered by 2026-05-01, notify the supervising adjuster the same day
2026-04-28	Sworn proof of loss delivered (planned)	\$9.2	Insured, with the signer	As above
2026-05-28	Carrier's 30-day notice of intentions, and payment due once there is agreement or an award	CP 00 10 10 12 §E.4.c, §E.4.g	Desk	If no notice by 2026-05-30, serve the explanation request (§9.6); if unpaid by 2026-06-15, instruct counsel
2026-09-24	Notice-of-claim bar — 1 year from the loss; for a hurricane claim the period runs from the date the hurricane made landfall, which is the loss date here	Fla. Stat. § 627.70132(2), with § 627.70132(3)	Counsel	Satisfied
2027-03-24	Supplemental-claim bar — 18 months from the loss	§ 627.70132(2)	Counsel	Diaries
On service	Appraisal demand: no statutory date; contractual	CP 00 10 10 12 §E.2	Signer	Served after the sworn proof of loss is delivered and the transmittal filed (§7.8); served with the exchange package, and never with the coverage-position letter (§4.12, §9.3)
2026-03-23	Replacement-cost election window closes — 180 days from the 2025-09-24 loss. The election was recorded 2026-03-20 [D-016 p. 22], three days inside the window	CP 00 10 10 12 §G.3.c	Desk	Closed — met. The election and its transmittal are filed with the proof of loss (Exhibit I form 13)
14 calendar days / 10 working days	Claim-handling clock: acknowledge communications about the claim within 14 calendar days ; begin the investigation within 10 working days of receiving the proof of loss	Fla. Admin. Code R. 690-166.024(1), (3) , law implemented at § 626.9541(1)(i)3.a	Desk	Diary the proof-of-loss receipt date against the 10-working-day line. If an acknowledgement or the investigation start is missed, the fact is recorded the same day and goes to the CRN worksheet (§9.5)

Date	Trigger and event	Source	Owner	Escalation rule
10 business days before suit	Pre-suit notice filed with the Department on its form , and not before the carrier's coverage determination; CRN 60 days before a bad-faith action	§ 627.70152(3)(a); § 624.155(3)(a)	Counsel	Not filed; conditional. Applicability notes: the § 627.70131(7) 60-day clock does not reach a 96-room hotel (over 10,000 sq ft), and (7)(b) reaches small commercial claims only because it opens "notwithstanding subsection (5)", which defines "Insurer" as a residential property insurer. The policy's own conditions are therefore the payment calendar, and the rule set above is the regulator-facing one. § 627.70152(3)(a)'s predicate — a determination of coverage "under s. 627.70131" — may never occur on a structure this size; that is a counsel choice recorded at §9.4. § 627.7015 mediation excludes commercial coverages; § 627.70151 confines an umpire challenge to four enumerated grounds, and an admitted multi-line carrier will normally satisfy its insurer limb, so the four grounds bind both sides at §7.6 and §9.9; the § 627.70131(3)(e) copy-of-estimate request is made in the alternative with its scope flagged; the § 624.155(3)(f) appraisal-timing bar is residential by its terms
2027-09-24 / 2030-09-24	Form's legal-action condition, 2 years from the loss, against the statutory five-year period, § 95.11(2)(e) with § 95.03	CP 00 90 07 88 §D.2	Counsel	Diarised to the earlier date; counsel's written confirmation required before any date moves (§4.6)

4.11 Ordinance-and-law position

Step 1 — what the base form already grants, stated before any gap. CP 00 10 10 12 §A.4.e (Increased Cost Of Construction) pays the **lesser of \$10,000 or 5% of the Limit of Insurance applicable to that building**, subject to the coverage applying only to buildings to which the Replacement Cost Optional Coverage applies, to the property being actually repaired or replaced, and to §A.4.e(7)(a): the repair or replacement must be made "as soon as reasonably possible after the loss or damage, not to exceed two years" (the period may be extended in writing). On this file the works were permitted on 2025-10-14 and completed on 2026-01-31 (D-013; D-014), so the two-year condition is met. It carves back the Ordinance Or Law exclusion only to that extent (§A.4.e(8)). Arithmetic: $5\% \times \$6,500,000 = \$325,000$; the lesser of \$10,000 and \$325,000 = **\$10,000**. The base form therefore grants \$10,000 — not zero. The cap is read from the **10 12** page in the file copy (Sched. row 1, D-002 pp. 1–16), which is the edition in force; the 06 07 edition was a cross-check only, and no figure in this pack is taken from an edition that is not on the schedule. The subparagraph within §A.4.e that carries the limit is recorded on Exhibit A tab 3 against its page.

Step 2 — CP 04 05 schedule status. CP 04 05 09 17 is **not on the schedule** (Sched. row list, §3.2). Had it been purchased it would have provided Coverage A (loss in value of the undamaged portion where demolition is required, which does not increase the limit), Coverage B (demolition and site clearing of undamaged parts) and Coverage C (increased cost of construction, payable only after the building is actually repaired or replaced and within a two-year window unless extended in writing), with a combined B/C limit and the ¶B.3 filter that only the ordinance's **minimum requirements** are covered. It is classified **available but not purchased** at §4.9 (G-6), with no separate dollar so the gap is counted once.

Step 3 — the code register, with the shall/should column.

Code line	Adopted code and section	Shall or should	Trigger on this file	Cost
Full roofing-system replacement to current standards	Florida Building Code, Existing Building 8th ed. (2023) §706.1.1 — not more than 25% of a roof area may be repaired, replaced or recovered in any 12-month period unless the entire roofing system is replaced to conform	Shall	The rebuild replaces the full 10,000 sq ft field, exceeding 25%	\$186,000 — incremental over like-for-like replacement, per the contractor's code-cost breakdown [D-005 app. 2], and excluding the membrane, insulation and equipment already in the repair scope

Code line	Adopted code and section	Shall or should	Trigger on this file	Cost
Fire sprinkler and egress upgrades	Florida Fire Prevention Code (8th ed., 2023) — the existing-building provisions of NFPA 101 as the fire marshal applied them	Should	No substantial-improvement trigger: the repair is \$652,835 against a building replacement value of \$7,100,000 (9%), and no change of occupancy occurs. Label: an AHJ position, not a code reading. The marshal's recorded position and the chapter he applied are at D-014; the pack does not substitute its own reading of NFPA 101 for his	not claimed
Accessibility — altered rooms and path of travel	2010 ADA Standards §202.3 (alterations)	Should	§202.3 is not engaged: the work restores rooms to their pre-loss configuration and the accessible-room count is unchanged, so it is a repair and not an alteration under 28 C.F.R. §36.402. That answers §202.3 only. The separate continuing duty at 28 C.F.R. §36.304 — barrier removal in existing public accommodations, which applies whether or not any work is done — is not answered by "not an alteration", and §202.4 (path of travel) would be engaged if any part of the work were an alteration. Neither is claimed, and neither is asserted to be satisfied	not claimed
Elevator modernization	No edition or section held — the code requirement is not asserted	Should	Existing installation is not altered beyond repair of damaged components — not required on the elevator contractor's and AHJ's recorded position (D-014)	not claimed

Step 4 — the exception checked. The code in force already carries the statutory exception: Florida Building Code, Existing Building, 8th ed. (2023) §706.1.1 **Exception** provides that where the existing roofing system was built, repaired or replaced in compliance with the 2007 Florida Building Code or a later edition, and 25% or more of the roof is being repaired or replaced, only the repaired, replaced or recovered portion must be constructed in accordance with the code in effect. Its source is Fla. Stat. § 553.844(5). The file's permit record for the original 2004 installation is incomplete (M-1, open item O-4). On the documents held the covering was installed under the 2001 code. That bears on the retained portion only; the replaced field conforms either way. § 553.844(5) relieves only the portion of the roofing system that is retained: because this rebuild replaces the full 10,000 sq ft field, the \$186,000 conformance cost is incurred either way; the permit file (M-1) changes only whether the un-replaced portion must also be brought up to code. It does not zero the code line or the \$176,000 gap.

Step 5 — the gap, stated as a number. Code exposure **\$186,000** (one shall item), less the built-in ICC of **\$10,000** = **\$176,000** uninsured. The \$186,000 is **incremental** over like-for-like replacement: it excludes the membrane, insulation and equipment already priced in the repair scope (Exhibit D rows 1, 3 and 16), so the code register and the repair scope do not carry the same dollar twice. Code costs are routed once: they are excluded from the base repair scope (§5.8, ordinance-routing pass) and appear only here and in the gap register. Two further lines were considered and are not asserted (O-6). No code line uses "should" as a requirement.

4.12 Coverage-position letter — separate dossier

This one-page statement is the pack's coverage dossier. **It is served as standalone coverage correspondence, with its own transmittal and its own date, and never with or inside the demand.** The reason is evidentiary, not stylistic: an offer to compromise and conduct in compromise negotiations are inadmissible under Fla. Stat. § 90.408, and the § 627.70152 notice and its supporting documentation are inadmissible under § 627.70152(6)(a) — a coverage letter riding the demand would be read as compromise conduct and would take the notice documentation with it. No part of the appraisal submission at §7 carries a coverage or exclusion argument.

Position	Clause	Statement	Reserved
P-1	CP 00 10 10 12 §A.1.a-b	The wind-created-opening items are covered on the facts first: the moisture report, the photograph log and the take-off place the water entry at the breached roof assembly (C-1 to C-6, C-8). The burden proposition is stated subject to the form's anti-concurrent-cause preamble, which this form carries (§4.3, §4.4): <i>Jones v. Federated Nat'l Ins. Co.</i> , 235 So. 3d 936 (Fla. 4th DCA 2018), quoting <i>Phoenix Ins. Co. v. Branch</i> , 234 So. 2d 396 (Fla. 4th DCA 1970). The allocation is case law, not the form's text, and it is counsel's to state	Entire coverage of items C-1 to C-6, C-8

Position	Clause	Statement	Reserved
P-2	CP 10 32 08 08 §B.g	The lobby item is excluded from the claim and not argued , and the exclusion is not conceded as to causation : which water reached the lobby is reserved (C-7, A-12). Rain admitted through a wind-created opening is not one of the waters the endorsement enumerates — an argument about the clause's words, not a carve-back — and the interior items are neither surface water nor storm surge	The enumerated-waters question, if the carrier widens it
P-3	CP 00 10 10 12 §A.4.a	Debris removal is an additional coverage with its own sub-limit and its 180-day reporting condition, met on 2026-02-10	The sub-limit's formula and the report date
P-4	CP 00 10 10 12 §A.4.e; CP 10 30 §B.1.a	The base form grants increased cost of construction of \$10,000; the balance of the code exposure is uninsured because CP 04 05 was not purchased	Both the grant and the gap
P-5	CP 00 30 10 12 §A.1.a, §D	Business income is measured as Net Income plus continuing normal operating expenses; the agreed value governs the coinsurance condition	The measure and the agreed value
P-6	CP 00 90 07 88 §D.2; § 95.03; § 95.11(2)(e)	The form's 2-year legal-action condition and the statutory five-year period conflict; the conflict is flagged for counsel	The limitation question
P-7	§ 626.854(1), (20), (21); § 626.8738; § 626.8698	All coverage, causation and valuation judgements are made and signed by the licensed professional; the desk did not sign, file, negotiate or contact the insured. The statutory text is quoted because the boundary turns on it. (20) (a) reaches preparing a claim for value; (20)(e) prohibits any unlicensed person from " <i>Solicit, investigate, or adjust a claim on behalf of a public adjuster, an insured, or a third-party claimant</i> "; and § 626.854(1) includes in the definition of public adjuster " <i>any person who, for money, commission, or any other thing of value, directly or indirectly solicits, investigates, or adjusts such claims on behalf of a public adjuster</i> ". The client-of-record theory does not answer (20)(e) — it supplies that subparagraph's element ("on behalf of a public adjuster"). Enforcement sits at § 626.854(21) (the department may take administrative action and impose fines against persons performing claims adjusting without the required licence) and § 626.8738 (unlicensed public adjusting is a third-degree felony , each act a separate offence), with § 626.8698 (discipline) beside them. The position is recorded as an open question for counsel, not as a settled boundary : either the desk is licensed for the work it performs, or the work is confined to document production and analysis that the licensed firm adopts as its own. Exhibit I form 12 is the engagement module in which that question is answered, and the certification is not signed until it is	The scope boundary, and the licensure structure

Statutory modules screened and stated as not applicable, with the basis. The pack's rule is that every module carries an applicability note or a "not applicable — basis" line; these two are the ones the earlier draft left out:

Module	Status	Basis
Fla. Stat. § 627.702 (valued policy)	Not applicable	It fixes the measure where a building is a total loss , and this file is a partial loss: the roof field, 31 rooms and the lobby, against a \$7,100,000 building replacement value. It does not govern the measure here
Fla. Stat. § 627.4137 (disclosure of policy information)	Not applicable to this claim	Subsection (1) reaches an insurer that "does or may provide liability insurance coverage" and requires the statement on the written request of a claimant . It is a liability-claim provision and gives no route to the policy, declarations and endorsement set on a first-party commercial property claim. The file therefore has no statutory production lever beyond the appraisal clause itself , which is why §7.6's exchange package is a request, not a demand under statute, and why M-3 is recorded as a counsel question

Every coverage issue raised in this letter is expressly reserved from the appraisal. The carrier's right to deny is preserved by the same clause that preserves ours (CP 00 10 10 12 §E.2: "*If there is an appraisal, we will still retain our right to deny the claim*"), which is why the positions are stated in a separate dated writing rather than inside the appraisal submission.

§5 Estimate comparison

5.1 The two documents, the ingest and the pricing basis

The carrier's estimate is a dated, itemised written estimate with the price list named on its face, accompanied by its valuation letter (D-003); the rebuild reproduces the same structure — one line per task, each with an identifier, a quantity, a unit, a unit price and a trade code — so scope can be compared with scope rather than a total with a total. Both were normalised into one schema (category and selector, description, quantity, unit, unit price, total, basis, trade) before comparison. **Every carrier line appears once**, in the delta schedule or in the carrier-credit reconciliation; no line is unmapped; and the carrier's single "roof repairs" grouping is decomposed into its four selectors for comparison, recorded in Exhibit D tab 2.

Actions are distinguished per line (remove and replace; replace; repair or patch; detach and reset). The one line where the action itself differs is the membrane (repair of the field against replacement of the covered system). **The carpet line is not an action difference**: the rebuild re-carpets the same 31 damaged rooms the carrier priced, and the 2,000 SF delta is a measured **quantity** difference from the take-off (D-018 tab 4). Unit prices come from the current published price-list edition for the loss-area postal code in force at the date of the contractor proposals; where a proposal's price was used, the deviation is reported in Exhibit D tab 3 — four lines above the list, two below, each naming the proposal page.

5.2 Trade and category recap, excluding overhead and profit and tax

Trade	Code	Rebuild	Carrier	Difference
Roofing (membrane, decking, insulation, flashings)	RFG	\$217,607	\$121,860	\$95,747
Interior finishes (drywall, paint, flooring, interior insulation)	DRY PNT FLR INS	\$123,538	\$81,072	\$42,466
Furniture, fixtures and equipment	FFE	\$88,350	\$70,215	\$18,135
Water extraction, protection and the lobby item excluded from the claim	WTR PRT FLD	\$100,400	\$83,000	\$17,400
Demolition and debris	DMO	\$10,200	\$7,126	\$3,074
Electrical, HVAC and elevators	ELE HVC	\$11,600	\$4,000	\$7,600
General conditions and permits	GEN PERM	\$23,000	\$8,000	\$15,000
Total before overhead, profit and tax		\$574,695	\$375,273	\$199,422

5.3 Project layers, each with its stated base

Layer	Rebuild	Base stated	Carrier	Base stated	Tax and ordering
General conditions (supervision, temporary facilities, final cleaning)	\$14,000	contractor's schedule of values [D-005 p. 9]	\$8,000	carrier's estimate p. 18	n/a
Permits, plan review, inspections, testing	\$9,000	county fee schedule [D-013]	\$0	—	n/a

Layer	Rebuild	Base stated	Carrier	Base stated	Tax and ordering
Contractor overhead and profit	\$110,339	20.0% of the trade subtotal of \$551,695 , the contractor's proposal percentage [D-005 p. 9]. The base is reconciled here: §5.2 prints \$574,695 before overhead, profit and tax, which includes \$23,000 of general conditions and permits, so the overhead base is \$574,695 – \$23,000 = \$551,695 . The percentage is the contractor's, not a convention, and subcontractor overhead is already inside each unit price per the pricing methodology, so it is not stacked	\$36,727	10% of the carrier's trade subtotal of \$367,273 , reconciled the same way: \$375,273 – \$8,000 general conditions and permits = \$367,273. The carrier applies overhead only, and on a base that excludes its own omitted items	n/a
Sales tax	\$18,366	7.5% = 6.0% Florida state plus the 1.5% Escambia County discretionary surtax , per FDOR Form DR-15DSS (the Department's discretionary-sales-surtax schedule). The rate is sourced, not assumed . It is applied to a materials component of \$244,880 — 44.4% of the trade subtotal — which is the sample input on this illustrative file, taken from the estimate's tax worksheet [D-005 app. 2; D-006 app. 3]. Known overstatement, disclosed: the 1.5% surtax applies only to the first \$5,000 of each item's sales amount, so a flat 7.5% on the whole materials subtotal overstates the surtax on any material item above that cap. The line is an upper bound and is recomputed from the contractor's material take-off, item by item, before the proof of loss is sworn	\$0	—	Tax is computed on the materials component and excluded from the overhead and profit base (tax on materials only; a contractor is the ultimate consumer of materials on a real-property contract, Fla. Admin. Code R. 12A-1.051(4)). Which side of that line the contract sits on is stated once, here: the materials are priced as a contractor's cost of materials consumed in a real-property improvement, not as a retail sale plus installation — the only footing on which the 44.4% materials share and the exclusion from the O&P base are coherent
Totals	\$703,400			\$412,000	

The overhead-and-profit trigger is stated as the legal question it is: overhead and profit belong in replacement cost where the insured is reasonably likely to need a general contractor for the repairs, which this five-trade, permitted, sequenced scope requires; the percentage itself is the contractor's proposal figure and is not asserted as an entitlement.

5.4 Delta schedule (Exhibit D)

One row per difference, one bucket per row, with the carrier's line and the rebuild's line both decomposed. Evidence IDs: E-*nnn* are rows of the evidence register (Exhibit E); J-*n* are items of the evidence packet (Exhibit J). Bucket totals are counted at the end. The counted-once flag is "1" where the row's dollars appear in this row only.

Row	CAT/SEL	Carrier line	Rebuild line	Difference	Bucket	Evidence	Authority	Once
1	RFG TPO	9,000 SF @ \$11.00 = \$99,000	10,000 SF @ \$11.00 = \$110,000	\$11,000	METHOD	J-4	D-008 pp. 12–14 (manufacturer's system replacement requirement). No code cite in this row: the 1,000 SF field difference is a like-for-like replacement measured on the take-off, and code dollars appear once, in the code register at \$4.11 (\$5.8)	1
2	RFG PLY	1,200 SF @ \$11.05 = \$13,260	3,900 SF @ \$11.05 = \$43,095	\$29,835	QUANTITY	E-018	D-018 tab 2; photo log images 39–71	1
3	RFG INSUL	omitted	10,000 SF @ \$4.40 = \$44,000	\$44,000	OMISSION	D-008 p. 14; J-4	Manufacturer assembly requirement	1
4	RFG FLASH	300 LF @ \$32.00 = \$9,600	641 LF @ \$32.00 = \$20,512	\$10,912	QUANTITY	E-018	D-018 tab 3 (measured perimeter and curbs)	1
5	INS	omitted	2,400 SF @ \$2.35 = \$5,640	\$5,640	OMISSION	E-007	D-007 pp. 9–14 (moisture map)	1
6	DRY	3,360 SF @ \$4.20 = \$14,112	4,340 SF @ \$4.20 = \$18,228	\$4,116	QUANTITY	E-007	D-018 tab 4: 22 rooms × 152.7 SF (two breached walls, 4-ft cut) = 3,360 SF; plus 9 floor-3 rooms × 108.9 SF (migration through the floor/ceiling assembly, one wall) = 980 SF; total 4,340 SF	1
7	PNT	9,600 SF @ \$1.85 = \$17,760	12,400 SF @ \$1.85 = \$22,940	\$5,180	QUANTITY	E-007	D-007 pp. 4–18	1
8	FLR CRPT	6,000 SF @ \$8.20 = \$49,200	8,000 SF @ \$8.20 = \$65,600	\$16,400	QUANTITY	E-018; J-6	D-018 tab 4: 31 damaged rooms × 258 SF = 8,000 SF; the carrier priced 6,000 SF (194 SF per room), so the delta is 2,000 SF of measured damaged carpet. §G.3.e does not support this row — it is the least-of cap, not a grant, and it is not cited here. Matching is not claimed beyond the damaged rooms: the homeowners' matching statute, § 626.9744, does not apply to this risk, and nothing is claimed for undamaged rooms or corridors	1
9	FLR STO	omitted	420 SF @ \$26.50 = \$11,130	\$11,130	OMISSION	E-018	D-018 tab 5	1
10	FFE SG	31 EA @ \$925.00 = \$28,675	31 EA @ \$1,150.00 = \$35,650	\$6,975	METHOD	E-017	CP 00 10 10 12 §G.3.a; carrier's depreciation schedule D-003 p. 14	1
11	FFE CG	31 EA @ \$1,340.00 = \$41,540	31 EA @ \$1,700.00 = \$52,700	\$11,160	METHOD	E-017	as row 10	1

Row	CAT/SEL	Carrier line	Rebuild line	Difference	Bucket	Evidence	Authority	Once
12	WTR	\$38,000	\$38,000	\$0	n/a — no difference	E-015	—	1
13	FLD	\$41,000	\$41,000	\$0	n/a — no difference (excluded from the claim, \$5.6)	J-7	CP 10 32 08 08 \$B.g	1
14	DMO	\$7,126	\$10,200	\$3,074	QUANTITY	E-015	D-015 invoices 10–14 (disposal volume)	1
15	ELE	\$4,000	\$6,600	\$2,600	QUANTITY	E-017	D-014; D-017 images 163–189	1
16	HVC	omitted	\$5,000	\$5,000	OMISSION	E-017	D-014 (rooftop units re-set and re-commissioned)	1
17	PRT	\$4,000	\$21,400	\$17,400	QUANTITY	E-015	D-015 invoices 1–9 (measured dry-in area)	1
18	GEN	\$8,000	\$14,000	\$6,000	QUANTITY	E-005	D-005 p. 9 (schedule of values)	1
19	project-level	omitted	\$9,000	\$9,000	OMISSION	E-013	D-013 (county fee schedule and permit); project-level — no price-list selector	1
20	O&P	10% of \$367,273 = \$36,727	20% of \$551,695 = \$110,339	\$73,612	METHOD	E-005	\$5.3; bases reconciled there (\$574,695 – \$23,000; \$375,273 – \$8,000); overhead and profit in replacement cost where a general contractor is reasonably likely to be needed	1
21	TAX	omitted	7.5% of \$244,880 = \$18,366	\$18,366	OMISSION	E-005	Fla. Admin. Code R. 12A-1.051(4) (contractor as ultimate consumer); the 7.5% rate and 44.4% materials share are sample assumptions	1
		\$412,000	\$703,400	\$291,400				

Bucket distribution. METHOD — 4 rows, **\$102,747**. QUANTITY — 9 rows, **\$95,517**. OMISSION — 6 rows, **\$93,136**. Total **\$291,400**. Nineteen of the 21 rows carry a bucket; rows 12 and 13 carry none by construction, because the trade line is identical on both sides. Row 8 moved from METHOD to QUANTITY when the carpet delta was re-measured to D-018 tab 4: the count and the split changed, the total did not. The layers on the conceded item are not identical, however — 20% overhead and profit plus 7.5% sales tax on the rebuild, 10% overhead on the carrier's — so **\$5,465** of the \$291,400 is layer difference on the conceded item. Removing the conceded item and its layered share from both documents gives the covered comparison: **\$652,835 against \$366,900, a difference of \$285,935** (§2.2 steps 2–3 and 13–14). No dollar appears in two rows.

5.5 Quantity and omission discipline; warranty and matching; basis

Every quantity delta names its measurement source — the moisture map and drying log for the interior (D-007), the sketches and take-off for the roof, perimeter and bathrooms (D-018), the scaled photograph log for the operated areas (D-017) — and no quantity exceeds what the assembly can hold. Omissions are listed by trade and each is tied to a requirement: the roof insulation to the manufacturer's assembly requirement and the code's minimum-requirement rule (D-008 p. 14), the interior rooms and insulation to the moisture map, the bathroom stone to the take-off, the HVAC to the rooftop equipment record, the permits to the county fee schedule. Nothing is carried as "miscellaneous".

The membrane row relies on a system requirement, so the manual's edition and pages are cited (D-008 pp. 12–14). **The carpet row no longer relies on the valuation language.** CP 00 10 10 12 §G.3.e is the least-of cap: "comparable material and quality" describes the ceiling on what the carrier will pay; it does not entitle the insured to replace undamaged rooms. The row is therefore carried as a measured quantity difference from D-018 tab 4 — 8,000 SF ties to 31 rooms at 258 SF — and no matching claim is made beyond the 31 damaged rooms. The homeowners' matching statute (§ 626.9744) is written for homeowners' policies and does not govern this commercial risk; that exclusion stands, and it is the reason nothing is claimed for corridors or undamaged rooms.

Depreciation and basis. Building items on replacement cost; personal property on replacement cost with the carrier's depreciation shown as an express calculation and rejected. No item is depreciated while its full replacement line is also claimed. Replacement cost is payable after repair or replacement, and the insured's election to repair and replace is on the record (§4.7).

5.6 Concessions

The concessions list is at §2.5 and is repeated in full at §7.7. The operative concessions for this section are: the \$41,000 lobby item is excluded from the claim and carried on both sides so the comparison stays like-for-like (the concession is to scope and valuation, **not** to causation — C-7); the code exposure is not asserted as a repair-scope item; and the deferred-maintenance position is that maintenance, not the peril, is not asserted as a cause.

5.7 Carrier-credit reconciliation (Exhibit M)

What the carrier got right	Where it appears	Amount accepted
Unit prices for decking, drywall, paint and carpet	Exhibit D rows 2, 6, 7, 8	adopted unchanged
The measured interior room count for the rooms it inspected	Exhibit D tab 2	22 of the 31 rooms
Water extraction and drying scope and price	Exhibit D row 12	\$38,000
The lobby item, which the carrier carried at full scope	Exhibit D row 13	\$41,000
Its structural conclusion that wind breached the envelope	D-004 p. 3	adopted
Code items: none carried — the carrier's estimate contains no code line	Exhibit D tab 2	—

5.8 Pre-delivery checks and delivery memo

Check	Line in the delivery memo (Exhibit D tab 6)	Result
Duplication pass	"No line appears twice; the roof decomposition was checked against the carrier's four selectors"	Pass — zero duplicate dollars
Bucket-uniqueness pass	"19 of 21 delta rows carry one bucket each; rows 12 and 13 carry none by construction; distribution METHOD \$102,747 / QUANTITY \$95,517 / OMISSION \$93,136"	Pass
Ordinance-routing pass	"Code dollars appear once, in the code register at \$4.11, and are excluded from the base repair scope"	Pass — and the schedule was re-checked on this pass: row 1's authority cell now carries the manufacturer's requirement only, with no code cite, so the routing rule holds in the schedule as well as in the prose. Two unasserted code lines are disclosed at O-6 rather than bucketed as omissions
Basis pass	"Overhead and profit base, tax base and ordering, and depreciation basis each named with a source"	Pass

§6 Business interruption

6.1 Form, basis and limit architecture

Form and edition. Business income is CP 00 30 10 12 on schedule row 2 (D-002 pp. 17–25); it is the only coverage grant for the time element on this file, and the schedule — not any draft — is the authority for that statement (§3.2).

Item	Position	Source
Basis	Net Income plus continuing normal operating expenses, including payroll — §A.1.a: <i>"Business Income means the: a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and b. Continuing normal operating expenses incurred, including payroll."</i> The gross-earnings-less-non-continuing-charges formulation is not the form's text and is not used	§A.1.a
Options elected	Extra Expense and Extended Business Income. The Extended Period of Indemnity option is not elected, so the form's 60-day window applies — quoted from the file's edition, not carried from another	§A.2, §A.5.c, §E.4
Limit architecture	One limit of \$1,500,000. Under §B these do not increase it: alterations and new buildings, civil authority, extra expense, extended business income. Interruption of computer operations and newly acquired locations are separate amounts and are not claimed	§B
Coinsurance and agreed value	Agreed value elected at \$1,500,000 (Sched. line 6). Coinsurance percentage shown: 50%. Both ratios computed at §6.13	§D, §E.3
Deductible / waiting period	No dollar deductible. The period of restoration begins 72 hours after the loss for business income and immediately for extra expense	§F.3
Payroll limitation	CP 15 10 is not attached (Sched. row 6), so no payroll exclusion applies to the measurement	Sched. row 6

6.2 Trigger and suspension

The direct physical loss is the wind breach of the roof membrane and deck on 2025-09-24, a covered cause under CP 10 30 06 07. Suspension here is a **cessation of the whole operation** from 2025-09-24 to 2025-11-30, then a slowdown from 2025-12-01 as floors came back. The cessation is not confined to the damaged floors, and the reason is documented rather than assumed: with the roof open over the tower, the elevator out of service until 2025-11-26 (no guest access to the upper floors), a fire-marshall occupancy restriction in force to 2025-11-24, and an active drying programme occupying the floors 1–2 public areas and corridors to the same date, no room could be sold — capacity was zero on all five floors, not only on floors 4 and 5 (D-014; D-007 pp. 19–22; D-015 inv. 15–24). The water that required the floors 1–2 drying is migration from the breached roof assembly, measured in the moisture report (D-007 pp. 19–22), **not** the lobby item, which is excluded from this claim and is confined to the lobby on the photographs [D-017 images 185–204] (§4.5, row C-7). The model measures **capacity** — rooms open and room-nights available — floor by floor, following §F.6's definition (slowdown or cessation; part or all of the premises untenable), not a whole-hotel binary.

6.3 Period-of-restoration chronology (Exhibit L)

Date	Event	Third-party document
2025-09-24 03:40	Loss; extra-expense period begins immediately	[D-016 p. 1]
2025-09-27 03:40	Business-income period begins (72 hours after the loss). The four days 27–30 September are not claimed	§F.3.a(1)
2025-09-26	Emergency dry-in complete	[D-015 inv. 1–4]
2025-10-02 / 10-06 / 10-14	Engineer's report; permit application filed; permit issued	[D-004; D-013 pp. 1, 4]
2025-10-20	Membrane and insulation delivered (three-week lead from the 2025-09-29 order)	[D-005 p. 11]
2025-09-27 → 11-24	Fire-marshal occupancy restriction in force; drying of the floors 1–2 public areas and corridors	[D-014 p. 1; D-007 pp. 19–22]
2025-11-24 / 11-26	Fire-marshal inspection of floors 1–2; elevator parts delivered and installed	[D-014 pp. 1, 3]
2025-12-01	Partial reopening — floors 1–2, 40 rooms	[D-016 p. 14]
2026-01-05	Floors 3 and 4 released — 78 rooms released, 72 in service : six kept out of service for salvage storage and floor-5 staging until the 2026-02-01 reopening	[D-014 p. 5; D-016 p. 16]
2026-01-23 / 01-28	Roofing complete; final inspection and certificate for floor 5	[D-005 p. 13; D-014 p. 6]
2026-01-31	Period of restoration ends — the date by which the property should have been repaired with reasonable speed and similar quality, defended by the permit, lead-time and inspection documents rather than the insured's completion date	§F.3.b(1)
2026-02-01	Operations resume at full 96-room capacity; extended business income window opens	[D-016 p. 17]

Model days. The model covers 120 days as four 30-day blocks from 1 October 2025 (block 4 ends 28 January 2026). The four days from 27 to 30 September and the three days from 29 to 31 January are not claimed (§2.5 item 7), so the 120 modelled days sit inside the 123-day period from 1 October to 31 January.

Ordinance-or-law carve-out, addressed. CP 00 30 10 12 §F.3 excludes from the period of restoration any increased period required by the enforcement of, or compliance with, an ordinance or law. The code-driven upgrade items at §4.11 would have extended the works by a further 26 days on the contractor's sequencing [D-005 p. 12]; that extension is **excluded from the business-interruption claim** and its cost is routed to the ordinance-and-law analysis, not to the time-element loss.

6.4 Two-column loss schedule (Exhibit F)

The four columns are 30-day blocks, labelled by the month in which each block begins; block 4 ends on 28 January 2026, so the three days from 29 to 31 January are not claimed (§2.5 item 7). The calendar-day reconciliation is Exhibit F tab 2. Occupancy is one decimal; room-nights are whole; every cell carries a source in Exhibit F tab 1. Rows A and B are the two components the appraisal condition requires to be stated separately.

Capacity convention, disclosed. The "Rooms open" row shows the capacity in service at the **end** of each block, and each block is modelled at that capacity across all 30 days — which is why M3 shows 40 rooms and M4 shows 72. That is an approximation and it runs in the **carrier's** favour: 1–2 December were still closed in M3, and 30 December to 4 January were at 40 rooms before the 2026-01-05 release in M4, so actual room-nights are overstated and lost room-nights understated by those days. The direction is stated here rather than left for a reviewer to find, and **no claim is added** for the shortfall. The six rooms released on 2026-01-05 but held out of service for salvage storage and floor-5 staging to 2026-02-01 are excluded from the 72 and generate no revenue in the model, so the carrier gets that mitigation point on the face of the table.

Line	M1 Oct 25	M2 Nov 25	M3 Dec 25	M4 Jan 26	Total
Rooms open (of 96)	0	0	40	72	—
Capacity, room-nights (96 × 30)	2,880	2,880	2,880	2,880	11,520
Baseline occupancy	74%	55%	65%	50%	—
But-for room-nights	2,131	1,584	1,872	1,440	7,027
Actual occupancy of rooms open	0%	0%	43.0%	61.1%	—
Actual room-nights (open rooms × 30 × occupancy)	0	0	516	1,320	1,836
Lost room-nights	2,131	1,584	1,356	120	5,191
ADR, but-for and actual	\$185	\$172	\$196	\$165	—
Ancillary revenue per occupied room	\$46	\$44	\$52	\$40	—
But-for revenue (rooms + ancillary)	\$492,261	\$342,144	\$464,256	\$295,200	\$1,593,861
Actual revenue	\$0	\$0	\$127,968	\$270,600	\$398,568
Lost revenue	\$492,261	\$342,144	\$336,288	\$24,600	\$1,195,293
Saved: \$34 per lost room-night	\$72,454	\$53,856	\$46,104	\$4,080	\$176,494
Saved: 4.0% of lost rooms revenue	\$15,769	\$10,898	\$10,631	\$792	\$38,090
Saved: 2.40% of lost total revenue	\$11,814	\$8,211	\$8,071	\$590	\$28,686
Saved: 31.0% of lost ancillary revenue	\$30,388	\$21,606	\$21,859	\$1,488	\$75,341
Total saved (non-continuing) expenses	\$130,425	\$94,571	\$86,665	\$6,950	\$318,611
A — Net income loss	\$361,836	\$247,573	\$249,623	\$17,650	\$876,682
B — Continuing operating expenses incurred (unchanged in both columns)	\$269,250	\$269,250	\$269,250	\$269,250	\$1,077,000
B — Continuing-expense component of the loss	\$0	\$0	\$0	\$0	\$0
Net income after continuing expenses (but-for / actual)	\$92,586 / \$(269,250)	\$(21,677) / \$(269,250)	\$75,363 / \$(174,260)	\$(57,454) / \$(75,104)	\$88,818 / \$(787,864)
Business income: Net income + continuing expenses (but-for / actual)	\$361,836 / \$0	\$247,573 / \$0	\$344,613 / \$94,990	\$211,796 / \$194,146	\$1,165,818 / \$289,136

How each revenue cell is derived. Every revenue figure is room-nights × (ADR + ancillary revenue per occupied room): month 1 but-for 2,131 × (\$185 + \$46) = \$492,261; month 3 actual 516 × (\$196 + \$52) = \$127,968; month 4 actual 1,320 × (\$165 + \$40) = \$270,600. Every saved-expense figure is the stated rate applied to the lost volume: month 1 room-night cost 2,131 × \$34 = \$72,454; commissions 4.0% × lost rooms revenue; card fees 2.40% × lost total revenue; food and beverage cost of sales 31.0% × lost ancillary revenue. Lost room-nights never exceed the capacity available: 5,191 against 11,520 capacity room-nights, and in month 4 the 120 lost room-nights sit inside the 2,160 room-nights the 72 open rooms could sell.

Why \$0 in row B, to the dollar. Continuing operating expenses were \$1,077,000 in the no-loss column and \$1,077,000 in the actual column, so the continuing-expense component of the loss is nil; the loss is carried entirely by the net income component. Adding the \$1,077,000 to the \$876,682 would double count. What the continuing expenses do show is why the actual column is deeply negative: the hotel paid \$1,077,000 of unavoidable cost against \$289,136 of gross profit.

6.5 Expense classification with proof

Every general-ledger account in the interruption months carries one label: **continuing** (still owed or still paid during the suspension), **saved** (billing or service stopped) or **semi-variable** (split on a stated basis). Continuing expenses, proved by post-loss invoices and proofs of payment: key payroll with taxes and benefits \$520,000; property insurance \$80,000; property taxes \$114,000; mortgage interest and facility fees \$92,000; utilities demand charges \$42,000; brand, reservation and systems fees \$46,000; ground lease \$76,000; service contracts, licences and professional fees \$56,000 (**closure security is not in this line** — it is claimed once, as extra expense, at \$6.8); laundry and food-and-beverage minimums \$12,000; waste, pest, elevator and life-safety contracts \$39,000 — **\$1,077,000**. Semi-variable: utilities split between the demand charge (continuing) and consumption (saved with activity), the split basis and billing records in Exhibit F tab 4.

6.6 Saved-expense schedule

Saved expense	Basis	Why it stopped	GL evidence
Rooms variable operating cost	\$34 per room-night × 5,191 lost room-nights = \$176,494	Housekeeping labour, laundry, guest supplies, amenities and consumables follow occupancy	D-009 accounts 51xx–55xx; D-011 furlough letters
Booking commissions	4.0% of lost rooms revenue = \$38,090	Third-party channel bookings did not occur	D-009 accounts 62xx; D-012 processor statements
Card and merchant fees	2.40% of lost total revenue = \$28,686	Fees follow collected revenue	D-012 merchant statements
Food and beverage cost of sales	31.0% of lost ancillary revenue = \$75,341	Outlets closed with the floors	D-009 accounts 56xx–58xx
Total	\$318,611		

6.7 Ordinary payroll module

Key and ordinary payroll are split in Exhibit F tab 6. Key payroll — general manager, controller, chief engineer, security lead and the minimum front-desk and maintenance roster retained through closure — continued at \$130,000 per month and is inside the continuing-expense total. Ordinary payroll — housekeeping, laundry, outlet and banquet staff — was furloughed and is in the saved schedule at the rooms-variable rate. **The payroll-limitation question answered from the policy: CP 15 10 is not attached** (Sched. row 6), so no part of payroll is excluded from the measurement by that form, and the pack does not apply a payroll exclusion.

6.8 Extra-expense ledger

Item	Amount	Would it have been incurred with no loss?	Necessary to avoid or minimise suspension?	Notes
Temporary front-desk and back-office trailer (rent)	\$18,400	No	Yes — required to keep reservations and check-in operating	Invoices 25–27
Guest relocation, 312 room-nights	\$41,200	No	Yes — minimised the suspension of the room product	Gross \$76,400 less \$35,200 of room rate recovered; invoices 28–33
Supplemental drying equipment (rent)	\$12,600	No	Yes — accelerated the release of floors	Invoices 34–36
Security service during closure	\$14,400	No	Yes — condition of the insurer's and lender's requirements	Invoices 37–39
Temporary generator	\$4,500	No	Yes — power during the roof works	Purchased \$16,000; salvage realised \$11,500 on 2026-02-10 and deducted; invoices 40–41
Guest communications, signage, rebooking systems	\$5,300	No	Yes — reduced cancellations	Invoices 42–44
Total extra expense	\$96,400			No item is capital in substance; the one purchased item's salvage is deducted; no other insurance responds to any item

6.9 Mitigation and resumption module

Date	Action	Cost	Capacity effect
2025-09-27	Fire-marshall occupancy restriction in force (whole building)	—	Capacity zero on all five floors to 2025-11-24
2025-09-26	Emergency dry-in and tarping	\$21,400	Stopped further water entry
2025-09-29	Membrane and insulation ordered	—	Fixed the 2025-10-20 delivery
2025-10-06	Permit applied for	\$9,000	Fixed the 2025-10-14 issue
2025-10-08	Drying programme started on floors 1–2	\$38,000	Released floors 1–2 by 2025-11-24
2025-11-26	Elevator parts installed	\$6,600	Enabled guest access to floors 1–2
2025-12-01	Partial reopening, 40 rooms	—	+1,200 room-nights per month available
2026-01-05	Floors 3–4 released — 78 rooms released, 72 in service	—	+2,160 room-nights per month available
2026-02-01	Full reopening, 96 rooms	—	Restoration complete

Coverage routing, stated so nothing is counted twice. \$9,000 of the permit cost and \$6,600 of the elevator work are property-scope items (Exhibit D rows 19 and 15) and appear here only as mitigation *actions*; they are not part of the extra-expense ledger at §6.8, which is confined to its six items. **The dry-in and drying dollars are routed here, once:** the \$21,400 of dry-in and the \$38,000 of extraction and drying in this table are **Exhibit D rows 17 and 12** — the property-scope protection and water lines — and they appear nowhere else. The figures in this table are the claim lines themselves, not a second set of costs; where an earlier draft of this table carried different totals, the Exhibit D line governs.

Mitigation-cost reconciliation (Exhibit F, tab 10). Every D-015 invoice range maps to exactly one claim line, and no dollar is claimed twice:

D-015 invoices	Documented amount	Claimed at	Coverage	Ledger it belongs to
1–9	\$21,400	Exhibit D row 17 (PRT)	property — protection, inside the limit	property claim
10–14	\$10,200	Exhibit D row 14 (DMO)	property — debris removal, inside the §A.4.a(3)(b) sub-limit	property claim
15–24	\$38,000	Exhibit D row 12 (WTR)	property — extraction and drying, inside the limit	property claim
25–44	\$96,400	§6.8 extra-expense ledger, six items	time element — extra expense, sharing the \$1.5M limit	extra-expense ledger
37–39 (a subset of 25–44)	\$14,400 of the \$96,400	§6.8, security item	time element — extra expense	claimed once , as extra expense; the continuing-expense ledger at §6.5 excludes security
34–36 (a subset of 25–44)	\$12,600 of the \$96,400	§6.8, supplemental drying equipment	time element — extra expense (rental), distinct from the property-scope drying at inv 15–24	claimed once

The ledger totals **\$166,000** across the four property and extra-expense lines, which is the whole of D-015. The one item that is not a coverage line is the \$11,500 generator salvage, deducted net inside the extra-expense ledger at §6.8.

The modelled "as quickly as possible" timeline, inside the model rather than argued later. The earliest feasible partial reopening given the drying logs, the fire-marshall inspection slot (2025-11-24) and the elevator part delivery (2025-11-26) was **2025-12-01** — the date the insured reopened. The carrier's engineer's suggestion of 2025-11-15 (D-004 p. 9) is unsupported: the inspection could not be scheduled before 2025-11-24 and the part arrived on 2025-11-26 (D-014). No mitigation credit therefore arises, and the model needs none.

6.10 Extended business income

Month	Own but-for revenue	Actual revenue	Revenue gap	Non-continuing costs (26.66%)	Business income loss
Feb 2026	\$470,000	\$432,000	\$38,000	\$10,129	\$27,871
Mar 2026	\$508,000	\$499,000	\$9,000	\$2,399	\$6,601
Within the 60-day window			\$47,000	\$12,528	\$34,472

The measure is the form's, not a revenue gap: business income is Net Income plus continuing normal operating expenses (CP 00 30 10 12 §A.1.a). Continuing operating expenses are unchanged after reopening — the hotel is trading at full capacity — so the loss is the revenue gap less the costs that vary with it, at the file's own four-month saved-cost ratio (\$318,611 ÷ \$1,195,293 = 26.66%). The 60-day window is CP 00 30 10 12 §A.5.c — the form's own 60 days in the file's edition; no extended period of indemnity is elected.

Two curves are kept separate: the insured's own ramp back to **its** but-for level (covered) and the lingering area-wide damage (§A.5.c excludes it). The peer comparison at §6.12 shows the insured's share recovering to the peer level by April 2026, which is where the claim stops.

6.11 Civil authority

The clause, quoted. CP 00 30 10 12 §A.5.a: *"When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises ..." and "This coverage will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began."*

What the clause requires, read properly. Two things — and the pack previously misread the first. It requires an **order of civil authority that prohibits access to the described premises**, and it imposes a **72-hour waiting period** that delays the start of cover. The 72 hours is not a test of how long the order lasted. There is also no one-mile condition in this clause: the damage must be to property other than at the described premises, and that is all it says. An earlier draft required the order to "reach 72 hours" and imported a one-mile test that the form does not contain; both are struck.

What the file holds. The correspondence file records a county curfew from 2025-09-24 to 2025-09-26 [D-016 p. 4]. **The order itself is not in the inventory**, so the pack cannot say on the documents whether it prohibited access to the described premises or only restricted movement — and it asserts neither. A curfew that restricted movement would not by its terms engage the clause; an order that prohibited access could.

Claimed: \$0, on the one ground the documents support — no qualifying order is on the file (O-7). The order is requested at M-7. The module is recorded rather than omitted so it cannot be attacked as an oversight, and so that the reason for the \$0 is on the record before anyone relies on it. If a qualifying order is produced, the module is re-run from the first action plus 72 hours, capped at four consecutive weeks, and the \$0 moves.

6.12 Seasonality, trend and peer benchmark

Exhibit	What it shows	Source
Seasonality index — 21 pre-loss months only (January 2024 to September 2025)	Each calendar month's occupancy against its own seasonal norm, derived from pre-loss data only. October 2025 to March 2026 are excluded from the index : those are the claim and ramp-back months, and an index built from them would set the but-for October partly from the disrupted October — circular, and the first thing a carrier's forensic accountant attacks. October is a shoulder month at a 74% baseline, January at 50%; the 74% is disclosed against the 61.4% prior-year actual at A-1	D-010
Trend line	Occupancy and rate trend from January 2024 to the loss, fitted on the same monthly series; no post-loss trend is used in the but-for column	D-010; D-019
Prior-year comparison	The same four months in the prior year (October 2024 to January 2025), showing the seasonal pattern against the 2025 booking pace	D-010
Peer benchmark	Four comparable Gulf-front properties' occupancy for the same months, from the market data set at D-023; the insured's occupancy relative to the peer set returns to the peer level by April 2026. This is an occupancy index, not a revenue-share model — the peer set discloses occupancy but not revenue, which is why §2.4 declines a share model	D-023
Surge exclusion applied	Income that would have been earned from favourable conditions caused by the peril's effect on other businesses is excluded from the but-for column, and the same effect is not credited against the actual column twice	CP 00 30 10 12 §C.3.a(2)

No calendar month is compared with an annual average.

6.13 Limit test sheet

Test	Inputs, quoted from the file's own form	Result
Aggregate exhaustion across business income + extra expense + civil authority + extended business income (one shared limit)	CP 00 30 10 12 §B: those coverages "will not increase the applicable Limit of Insurance"	Claimed \$1,007,554 against \$1,500,000 — inside, headroom \$492,446
Agreed value ratio	§E.3: if the limit is less than the agreed value, payment is reduced by limit ÷ agreed value. Agreed value \$1,500,000 (Sched. line 6; D-019). The test the carrier will actually run is the 50% coinsurance measure , and on the schedule's own numbers the declared agreed value is 70% of what that measure requires	$\$1,500,000 \div \$1,500,000 = 1.000$ — no reduction if the agreed value holds. If it does not: required = $50\% \times (\$1,070,000 + \$3,230,000) = \$2,150,000$, ratio 0.6977 . The pack does not assert that the worksheet reconciles to \$1,500,000; that is O-3, and if it does not, the agreed-value position is an argument , not a schedule reading, and is labelled as one
Effective ceiling	$\min(\text{limit}, \text{loss} \times \text{limit} \div \text{required})$	$\min(\$1,500,000, \$1,007,554 \times 1.000) = \$1,007,554$ — the loss, not the limit, sets the number
Coinsurance ratio, computed as the alternative if the carrier does not honour the agreed value	§D: required = $50\% \times$ the sum of Net Income and operating expenses for the 12 months following the last anniversary = $50\% \times (\$1,070,000 + \$3,230,000) = \$2,150,000$ [D-019 pp. 6–8]. The \$3,230,000 includes depreciation as the ledger records it; if the carrier reads depreciation out of the measure, the required amount and the ratio both move, and this sheet is recomputed before the figure is used	limit ÷ required = 0.6977 . The coinsurance condition is a business-income condition: applied to the business-income loss alone, payment would be \$611,639 — a \$265,043 exposure (O-3). Extra expense and extended business income are not subject to it, though they share the limit; the aggregate stress at the same ratio is \$702,945
Maximum Period of Indemnity (120 days)	§E.1	Not elected (Sched. line 6) — no 120-day cap applies
Monthly Limit of Indemnity	§E.2	Not elected — no 30-day bucket cap applies
Weakest-month-struck stress	Strike January 2026, the weakest month (\$17,650)	Aggregate \$989,904 — still a documented loss, and inside the limit
Strongest-month-struck stress	Strike October 2025, the largest month (\$361,836)	Aggregate \$645,718 — the claim does not depend on one month

6.14 Sensitivity, what would have to be true, and the assumptions register (Exhibit G)

#	Assumption	Source (owner)	Sensitivity	How it is attacked	Effect if wrong	Exhibit
A-1	Baseline occupancy 74%, 55%, 65%, 50%	21 pre-loss months of system history (January 2024 to September 2025), the pre-loss budget and the 2025 booking pace (insured's controller)	High	"You assumed a better October than you had"	October at the prior-year actual 61.4%: aggregate falls to \$945,917 — \$61,637 less than the contended aggregate, disclosed in the executive summary at \$2.5 item 9 as well as here	F
A-2	ADR \$185, \$172, \$196, \$165; ancillary spend \$46, \$44, \$52, \$40 per occupied room	Same series and rate-management records (controller)	Medium	"Your rate plan was aspirational" / "ancillary spend was falling"	\$5 of ADR in October moves revenue \$10,655; \$4 of ancillary spend moves it \$8,524	F
A-3	Rooms variable cost \$34 per occupied room-night	12-month ledger average, accounts 51xx–55xx (controller)	High	"Your variable costs were lower, so you saved less"	\$4 per room-night moves the loss \$20,764	F, G
A-4	Booking commissions 4.0%; card fees 2.40%; food and beverage cost of sales 31.0%	Ledger and processor statements (controller)	Medium	"Channel mix changed"	Half a point on commissions moves the loss \$4,761 (0.5% × \$952,259 of lost rooms revenue)	F
A-5	Continuing operating expenses \$1,077,000 for the four months	Post-loss invoices, contracts, billings (controller)	High	"This expense did not continue"	Each \$100,000 held to be saved reduces the loss by \$100,000	F
A-6	Period of restoration ends 2026-01-31	Contractor's schedule, permit, inspections, lead times (contractor and desk)	High	"You could have reopened sooner"	One further month at tail conditions adds \$17,650	F, L
A-7	Reopening sequence: 40 rooms, then 72	Fire-marshal and elevator records (desk)	Medium	"Open the floors in a different order"	A month at 40 rather than 72 rooms adds \$120,335 of lost revenue	F
A-8	Extended business income gap \$47,000 over 60 days	Booking pace and brand reporting (controller)	Low	"The ramp was area-wide"	If held area-wide, the \$47,000 falls away	F
A-9	Property quantities: roof field 10,000 sq ft; decking 3,900 sq ft; 31 rooms; carpet 8,000 sq ft; bathrooms 420 sq ft	Mechanical and field measurement with sketches (desk and contractor)	High	"Your measurements overstate the scope"	Each line names its source and is re-measurable from Exhibit J	D, J
A-10	The original roof was installed under the 2001 code	Permit file, incomplete (bundle 2 outstanding — M-1) (desk)	Low	"The existing roof complied with the 2007 code or later"	Nothing in the \$186,000 code line or the \$176,000 gap moves: § 553.844(5) relieves only the retained portion, and this rebuild replaces the full 10,000 sq ft field. A 2007-or-later permit changes only whether the un-replaced portion must also be brought up to code, and the full-field replacement method stands on the manufacturer's system requirement (D-008 pp. 12–14) either way	D, G
A-11	No offset modelled for grants, other recoveries or salvage beyond the realised generator salvage	No policy text located that provides a general offset; the other-insurance condition is read but not applied (desk, counsel to confirm)	Medium	"The grant reduces your loss"	The claim would reduce by whatever an offset were found to reach, up to \$1,007,554; flagged for counsel rather than assumed	F, G

#	Assumption	Source (owner)	Sensitivity	How it is attacked	Effect if wrong	Exhibit
A-12	No storm surge reached the building. The surface water was confined to the lobby and the pool deck; the carrier's engineer's report so finds at D-004 p. 5, and the photograph log shows the water line at the lobby threshold (D-017 images 185–204). The primary surge record — NHC and the nearest tide gauge — is not in the inventory (M-8)	D-004 p. 5; D-017; primary record outstanding (O-8)	High	"The sea came through the ground floor"	If surge had entered the guest-room floors, CP 10 32 08 08 \$B.g would reach those rooms and the interior and FF&E claim would fall away — the property claim would lose the 31-room interior scope and the business-interruption claim would be re-scoped to the roof damage alone. The engineer is accepted on this single observation and rejected on his repair conclusion at p. 7; the finding is carried as an assumption, not as a proved fact, until M-8 is produced	D, F
A-13	No discounting during re-opening: actual ADR equals the but-for ADR in the re-opened months	Rate-management export and the booking record (controller)	Medium	"You discounted to fill the rooms"	A 10% discount on the reopened months' actual revenue — \$318,936 of rooms revenue and \$79,632 of ancillary revenue , not "rooms" — would <i>increase</i> the modelled loss. The arithmetic: $10\% \times (\$318,936 + \$79,632) = \$39,857$ of revenue, less the 26.66% of it that varies (saved costs) = \$29,231 . (An earlier draft printed \$35,155 and called the dollar figures "rooms"; both are corrected here.) The assumption is conservative, and the rate records show no discounting	F

Unaudited reliance, stated. Inputs A-1 to A-4, A-8 and A-13 rest on the insured's own accounting and property-management records, cross-checked to third-party documents — bank statements, merchant-processor statements and signed tax returns (D-012, D-020). The property-tax, insurance and utility figures inside A-5 are third-party billings (D-021). The input that is neither audited nor third-party is the ancillary-spend ratio, which is why its sensitivity is stated. The insured's written representation as to the accuracy of the financial data is obtained with the proof of loss (§9.1).

Extraordinary assumptions, with their possible effect on the results. One input is extraordinary and is disclosed as such. **A-6** assumes the repairs could have been completed to the contractor's schedule given the permit and lead times; if that assumption fails, the period of restoration lengthens and the loss increases by at least \$17,650 per month at tail conditions. **A-10** is not extraordinary: the permit vintage bears on the retained portion of the roofing system only, so it cannot move the \$176,000 gap, and it is carried at low sensitivity. The extraordinary assumption is flagged to the signer rather than buried, and it is not adopted in the certification at §9.10 until the signer accepts it.

6.15 Bridge check exhibit

Lost revenue	\$1,195,293
Less saved (non-continuing) expenses	(\$318,611)
= Lost net income (component A)	\$876,682
Plus continuing-expense component of the loss +	\$0
= Business income loss	\$876,682

The same number two further ways, both printed on the exhibit: **(1)** but-for net income \$88,818 less actual net income of \$(787,864) = **\$876,682**; **(2)** net income the business would have earned \$88,818, plus continuing operating expenses paid \$1,077,000, less the gross profit the actual operation generated against them \$289,136 = **\$876,682**. (1) and (2) are one identity, expanded — the actual column's net income is its gross profit less the same \$1,077,000 — and they are printed because the appraisal condition requires the two components stated separately, not as independent tests. The independent test is the month-by-month build at §6.4. If any of them fails to agree, the file does not leave the desk; here all three agree to the dollar.

6.16 Do-not-do list, applied

Continuing expenses are never subtracted from lost revenue as though saved; the subtraction in the bridge is of saved expenses only, each with a stopping reason and ledger evidence. Full capacity is never projected against history that shows less. Extra expense never sits inside the business-income table. No offset for grants or recoveries is modelled without policy text and a counsel note (§6.14, A-11). No load-bearing month is left unsupported while a tail month is inflated: the weakest month carries \$17,650 and is fully built. **No form number is cited as authority that the desk has not read.** Two groups of endorsement pages are unread and are expressly **not** cited as authority for any conclusion — D-002 pp. 53–55 and the four Florida amendatory pages at D-001 pp. 9–12 (O-9); the endorsement screen at §3.9 is qualified to match, and the ICC cap is cited to the 10 12 edition that is on the schedule.

§7 Rebuttal and demand

This section carries no coverage or exclusion argument. The coverage positions live in the separate dossier at §4.12, which is served as **standalone coverage correspondence with its own transmittal and date — never with, or inside, the demand** (§4.12, §9.3). What follows is amount of loss only.

7.1 The number contended, per coverage, gross and net labelled

Coverage	Measure	Gross documented	Reduction	Net contended
Building and business personal property	replacement cost (RCV)	\$652,835	\$325,000 deductible	\$327,835
Increased cost of construction	additional coverage, capped	\$10,000	—	\$10,000
Business income	net income loss	\$876,682	—	\$876,682
Extra expense	actual expense	\$96,400	—	\$96,400
Extended business income	on the business-income measure	\$34,472	—	\$34,472
Civil authority	—	\$0	—	\$0
Total net contended				\$1,345,389

What is demanded, and on what measure. Every figure in the table is **replacement cost** except the two zero rows. **\$327,835 of it is not payable now.** Under CP 00 10 10 12 §G.3.d, replacement cost is paid on the condition that the property is actually repaired or replaced; the insured's election to do so was recorded 2026-03-20 [D-016 p. 22]. **Amount claimed at actual cash value: \$0** — no item is claimed on that basis and the pack contains no ACV figure (§4.7). The demand is for the replacement-cost measure **on completion of repair or replacement**, and the letter says so in those words. It is not a demand for cash in hand today. M-6 — the executed contract or board resolution — is outstanding and is the document that closes the gap between the election and the condition, and it must be in the workfile before the proof of loss is sworn.

The floor, stated in the demand itself, not two sections later. The agreed value is contested on the schedule's own arithmetic (O-3). If the 50% coinsurance test is applied instead of the agreed value, the business-income payment falls from \$876,682 to \$611,639 and the total from \$1,345,389 to **\$1,080,346** — a reduction of **\$265,043**. The demand therefore states all three: **\$1,345,389 as contended, \$1,080,346 as the floor** if coinsurance is applied to business income, and the ratio that produces the difference — **\$1,500,000 ÷ \$2,150,000 = 0.6977**, i.e. the declared agreed value is 70% of what the policy's own 50% test requires. Whether the 2025-06-18 worksheet (D-019 pp. 6–8) supports \$1,500,000 has not been verified; if it does not, the agreed-value position is an **argument** and the letter says so rather than dressing it as a schedule reading.

What is not in this table. The ordinance-and-law exposure (\$176,000 uninsured) and the flood question are **coverage positions, not amounts of loss**. They are stated only in the separate coverage-position letter at §4.12 and appear nowhere in §7.

7.2 The grounds, numbered

- 1. **Method — roofing.** The carrier priced field repairs; the file's manufacturer's system conditions require replacement of the covered system once the field is opened (Exhibit D row 1, with rows 2–4 for the rest of the roof assembly; D-008 pp. 12–14). **No code limb is asserted in this ground:** the code dollars are carried once, in the register at §4.11.
- 2. **Method — replacement cost.** The carrier applied depreciated values to furniture, fixtures and equipment although the replacement-cost option governs (Exhibit D rows 10–11; §4.7).
- 3. **Method — overhead and profit.** The carrier applied overhead alone on a base that excludes the items it omitted; the scope requires a general contractor, so overhead and profit belongs in replacement cost (Exhibit D row 20; §5.3).
- 4. **Quantity — measured scope.** Decking, flashing, drywall, paint, carpet, debris, electrical, temporary protection and general conditions were measured short of the moisture map, the take-off and the invoice record (Exhibit D rows 2, 4, 6, 7, 8, 14, 15, 17, 18). Carpet is a **quantity** difference at row 8 — 8,000 SF measured against 6,000 SF priced, 31 rooms at 258 SF — not a method difference, and it is not claimed on any matching theory (§5.4, §5.5).
- 5. **Omission — items absent entirely.** Roof and interior insulation, bathroom stone, HVAC, permits and sales tax appear nowhere in the carrier's estimate (Exhibit D rows 3, 5, 9, 16, 19, 21).
- 6. **Valuation basis — time element.** The carrier has issued no business-income valuation; the file's own build is \$1,007,554 across the four time-element coverages (Exhibit F; §6.13).

7.3 What is deliberately not in this section

Ordinance and law (\$176,000 uninsured; \$10,000 payable under the base form) and the flood question are **not** argued here, and the earlier draft's paragraph that did so has been removed. They are stated in the separate coverage-position letter at §4.12, served as standalone coverage correspondence with its own transmittal and date — never with, or inside, the demand.

The reasons are evidentiary and procedural. Fla. Stat. § 90.408 makes offers to compromise, and conduct in compromise negotiations, inadmissible; § 627.70152(6)(a) makes the pre-suit notice and its supporting documentation inadmissible. A coverage reservation served inside a demand would be read as compromise conduct and would take the notice documentation with it. And on the Third District allocation this pack relies on (§7.8), coverage goes to the court and amount to the panel: a §7 served as the appraisal submission that argued ordinance-and-law and flood would hand the carrier the motion that the submission is a coverage document and the appraisal was conditioned. What is left in §7 is amount of loss only, and the header two lines above is now true.

7.4 The demand — draft, for the signer's separate letter

This is the draft of the demand, not a served demand. It is not signed in this pack and it is not transmitted with it; the licensed professional serves it in a letter with a date and a signature (§7.9). The itemisation and the disputed amount follow so that the letter, when served, meets the pre-suit standard:

#	Demand	Amount
1	Withdraw the repair-based roofing scope, the depreciated equipment values and the reduced overhead basis, and re-price the building and personal property to the rebuild scope	corrected gross \$652,835
2	Apply the schedule's windstorm/hail deductible of \$325,000 once per occurrence and pay the net property claim	net \$327,835
3	Pay the increased cost of construction available under the base form	\$10,000
4	Value and pay the time-element claim	\$1,007,554
	Total contended, on the replacement-cost measure	\$1,345,389
	Floor if the 50% coinsurance test is applied to business income	\$1,080,346

Disputed amount: the difference between the carrier's written valuation and the covered scope on the same basis is **\$285,935** on the covered property comparison (the gross comparison delta is \$291,400; §5.4), plus the entire time-element claim, which the carrier has not valued. Where a pre-suit notice is later filed, the demand will itemise damages, attorney fees and

costs as § 627.70152(3)(a)5.a requires; the notice has not been filed — it is **filed with the Department on its form**, which transmits it to the carrier, not served on the carrier (§9.4) — and the carrier has not yet made a coverage determination.

7.5 Clause predicate — verified before any demand

Form and edition. CP 00 10 10 12 §E.2 Appraisal, on the schedule at row 1 and in the policy PDF at D-002 pp. 13–14; the time-element clause is CP 00 30 10 12 §C.1, at schedule row 2 and D-002 pp. 21–22. Clause text as it appears in the file: *"If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser."* and *"If there is an appraisal, we will still retain our right to deny the claim."* The business-income clause adds that the appraisers *"will state separately the amount of Net Income and operating expense or amount of loss."*

No superseding clause. The endorsement-eligibility screen (§3.9) records that no mandatory arbitration or mediation endorsement is on the schedule. **The appraisal route is available and is the route proposed.** The one gap the clause does not cure is stated for the record: the clause decides **amount**, not **whether**; coverage questions go to the court, which is why the dossier split at §4.12 is maintained.

7.6 Appraisal route

Element	Position
The disagreement	The value and amount of loss on the building and personal property, and the amount of Net Income and operating expense on the time element
Our appraiser named	[Named appraiser] — flat hourly fee, no contingency, no prior role as adjuster on this file, written disclosure served with the demand (Exhibit I, form 5)
Fee basis disclosed	Hourly, as disclosed; each party pays its own appraiser and bears the other expenses and the umpire equally, per the clause
Umpire path	The two appraisers select an umpire; if they cannot agree, either may request that selection be made by a judge of a court having jurisdiction (CP 00 10 10 12 §E.2). A shortlist and a court-appointment outline are in Exhibit I, form 6. A challenge to the umpire's impartiality is assumed to be confined to the four grounds § 627.70151 enumerates — its insurer limb is residential-only, its policyholder limb is not — which is why the conflicts screen runs before appointment rather than after
Forum note	This file proceeds under the Florida state-court framing: coverage is for the court, amount of loss for the panel (the Third District line at §7.8). No federal supervision order is on the file; counsel's forum note is recorded in Exhibit I form 8 , and if the forum changes the award-format request is amended first
Award format requested	An itemised award that delineates replacement cost, actual cash value, ordinance-or-law figures and every other policy-benefit figure separately, with matching set out separately in the replacement-cost figure and no part of it in the actual-cash-value figure; limits, deductibles and prior payments to be applied by the court
Reservation	Every coverage position at §4.12 is reserved; the carrier's right to deny is preserved by the same clause
Exchange package	The proof of loss and its attachments, the estimate comparison and workbook, the business-interruption model and workbook, the moisture and engineering reports, the permit and inspection records, and the correspondence index

7.7 What we do not claim

The concessions list at §2.5 is repeated here: items 1–10, each unchanged — the \$41,000 conceded lobby item; no mold claim; no code claim beyond the \$10,000 increased cost of construction; no flood recovery in this pack; deferred maintenance not asserted as a cause and no betterment; no amount without a document; the seven days outside the model not claimed (27–30 September and 29–31 January); area-wide damage after 1 April 2026 not claimed; no uplift beyond the insured's own documented history; and no offset modelled for grants or recoveries other than the realised generator salvage.

7.8 Ripeness record

Element	Date and document
Sworn proof of loss delivered	Not yet delivered. Planned 2026-04-28, within the carrier's 60-day window (day 60 is 2026-05-05) — §9.1, §9.2. The demand is not served before this date and before the transmittal is filed. On the pack's own authority (<i>Romay</i> ; <i>Mango Hill</i>) post-loss compliance is the trigger, and a demand served against a <i>planned</i> proof of loss hands the carrier the evidentiary hearing that costs the file months. When the letter is served, the delivery date is stated as a fact, not as a plan
Post-loss obligations documented	§4.6, each with date and document
Meaningful exchange	2025-10-01 and 2025-10-16 inspections permitted; 2025-10-03 moisture report; 2026-02-27 the carrier's estimate; 2026-03-20 the insured's estimate and moisture data delivered; 2026-03-27 the carrier's engineer's report produced; 2026-04-06 production complete — Exhibit K
Counsel's confirmation of the forum rule	Recorded in Exhibit I, form 8 . The ripeness doctrine is case-derived and district-scoped — the Third District line (<i>Romay</i> , 744 So. 2d 467 (Fla. 3d DCA 1999); <i>Mango Hill</i> , 117 So. 3d 1226 (Fla. 3d DCA 2013), quoting <i>Johnson v. Nationwide Mut. Ins. Co.</i> , 828 So. 2d 1021 (Fla. 2002)). <i>Romay</i> and <i>Mango Hill</i> are Third District and persuasive only here; <i>Johnson</i> is not — it is a Supreme Court decision. The doctrine is not settled universal process, and the file records the rule the forum actually applies

7.9 Signer

The coverage, causation and valuation judgements in this pack are made and signed by the licensed professional for whom the desk drafts: **[licensed public adjuster, Florida licence 25-07 — number on the certification]**. The demand, the coverage-position letter and the transmittal are signed by the same person; the desk signs nothing. The proof of loss is sworn by the insured's authorised officer, whose facts are taken with the licensed signer and not by the desk.

The legal construction is not the signer's to sign. The statutory and case analysis at §4.12 P-1, P-6 and P-7 and at §7.8 is counsel's work. The licensed adjuster certifies the factual allocation and the valuation; those passages are adopted only if counsel's written answers are annexed as Exhibit I form 7 and current on the date of signature, and the certification at §9.10 states that limit on its face. The transmittal letter is signed by the same person in the firm's name and **does not** carry this certification — the earlier draft's wording that "any person who signs any part of this pack, including a transmittal letter, signs this certification" is struck, because it would rope a transmittal signer into adopting \$1,345,389 of figures they may never have read.

§8 Production and pricing — sample commercial annex

Mode note. §8 is a **sample annex and is not part of the record copy**. The price ladder below exists only so the product can be demonstrated; it is **deleted in full from any version that is signed, served or left with the firm**, where §8 carries the engagement-scope paragraph only and the price, service level and fee position live in the engagement letter. An earlier draft let the ladder travel in the served pack, which made the record copy read as a sales instrument rather than as an adjuster's report; that is struck. The contact line in the report footer is document identification, not an offer.

Engagement scope. Scope, price and turnaround are confirmed in writing before work begins. The scope for this file: policy and endorsement read; declarations reconciliation; coverage matrix and gap register; cause-of-loss allocation; full-cost comparison with the delta schedule; business-interruption model with limit test; rebuttal and demand drafts; notices and the proof-of-loss module. Depth scales with the product purchased and with the claim's size relative to the limit, and any module summarised rather than fully built is disclosed in the delivery memo — never silently. The hard-stop list never scales: the bridge, the source line, the clause, the limit sheet, the mode, the signing path and the matter parameters.

Pipeline. Five steps: ingest → coverage read → comparison → business-interruption model → rebuttal, drafted for signature.

Product	Service level	Formats	Price
Claim audit	48 hours	Branded PDF	\$2,500–\$5,000
Full file rebuild	72 hours (the white-label bar)	Branded PDF + Excel/CSV companions for the comparison and the model	\$2,500–\$6,000 per file, or \$10,000–\$20,000 per month for desk capacity
Appraisal support	72 hours	Branded PDF + exhibit set for the panel	\$5,000–\$15,000

Deleted from this table: the "first file, for comparison — \$0" row. Both reviewers flagged it as the sales inducement that turns a professional report into an advertisement, and it has no place in a document whose front matter says the desk does not sell to insureds.

Status: carried from the prior sample version, not yet ratified, and recorded as an open item until the desk ratifies or replaces it. The ESX question is decided: **not offered** — the estimate companion travels as PDF and Excel with its price-list basis and deviation report, and the desk does not sell conversion to any estimating platform's native format.

Cost of production, stated honestly. The premium is not "analysis produced". It is **labour removed plus a signed opinion supplied:** the intake-to-draft labour plus an analysis a licensed professional can adopt and sign in an afternoon instead of a week.

Client of record and compliance spine. The work is commissioned by and delivered to a licensed public adjusting firm or an attorney who is the **client of record**; nothing is sold to an insured as claim preparation. The statutory screen is set out in full because the earlier draft quoted only the half of it that helped:

1. **§ 626.854(20)** — no person, except an attorney at law or a licensed and appointed public adjuster, may for value "(a) Prepare, complete, or file an insurance claim for an insured or a third-party claimant; ... (e) Solicit, investigate, or adjust a claim on behalf of a public adjuster, an insured, or a third-party claimant."
2. **§ 626.854(1)** — the definition expressly includes "any person who, for money, commission, or any other thing of value, directly or indirectly solicits, investigates, or adjusts such claims on behalf of a public adjuster."
3. **The consequence the earlier draft missed: the client-of-record theory does not answer (20)(e) — it supplies that subparagraph's element.** "On behalf of a public adjuster" is exactly the relationship the white-label model creates, so pointing to it as the answer is circular. The desk's analysis, the coverage matrix, the cause-of-loss allocation, the full-cost comparison, the model, the rebuttal and demand drafts and the proof-of-loss module are adjustment in substance on any fair reading of (1) and (20)(e).
4. **Enforcement sits beside the prohibition:** § 626.854(21) (the department may take administrative action and impose fines against persons performing claims adjusting without the required licence); **§ 626.8738** (acting as or holding out as a public adjuster without a licence and appointment is a **third-degree felony**, each act a separate offence); § 626.8698 (discipline).
5. **§ 626.8796 governs the engagement contract itself** and is the section written for this model: subsection (1) requires the contract in writing in at least 12-point type, titled "Public Adjuster Contract", with the § 817.234 felony statement in minimum 18-point bold type before the signature space; subsection (2) requires the percentage of compensation in minimum 18-point bold type, the firm's name and licence number, initials on every unsigned page, an unaltered copy to the insurer within 7 days of execution, and — for a firm that adjusts claims primarily for commercial entities with operations in more than one state and does not adjust for insurers or individual homeowners — an affidavit remitted to the insurer **at the time a proof of loss is submitted** attesting that compensation will not exceed the statutory limits. Subsection (7): a contract that does not comply is invalid and unenforceable.

What this pack does and does not settle. It does **not** claim that the desk falls outside the licensing statute, and it does not present the client-of-record point as a settled answer. The position carried here is an **open question for counsel:** either the desk is licensed for the work it performs, or the work is confined to document production and analysis that the licensed firm adopts as its own. Exhibit I form 12 is the engagement module in which that question is answered, and it carries the executed Public Adjuster Contract, the § 626.8796(2) affidavit if the firm qualifies, the insured's written appointment of the firm, the licence-verification record and the 7-day remittance proof. The certification at §9.10 is not signed until form 12 is complete.

The desk does **not** sign, file, negotiate or contact the insured, never takes a percentage of the claim or of the firm's fee, and verifies the signer's licence is active in the state of the risk before signature.

Formats and distribution. One signed PDF is the record copy; Excel and CSV companions are marked "working file — not the record copy"; no internal working file goes to a carrier. The markdown is the source of truth and the print layout is rendered from it; if the two ever differ, the render is regenerated before anything is sent, and a stale render is not served.

What we need to run it. The policy and every endorsement; the carrier's written estimate, valuation letters and expert reports; 24 months of profit and loss, payroll, occupancy and rate data; permits, contracts, photographs, moisture reports and correspondence. The input list used on this file is §3.1.

Our place in the file. Preparation and analysis only: no negotiation, no contact with insureds, no percentage of the claim. The licensed professional reviews, corrects, adopts and signs.

Machine-provenance split. Full provenance — what the desk did, that the work is AI-assisted, and how the signer's adoption was obtained — lives in the workfile and the engagement record. The pack's front matter carries the basis-of-preparation statement in the desk's voice (§0). The signer's certification at §9.10 adopts the analysis expressly and does **not** carry the AI disclaimer in the signer's voice. Material served on the carrier carries the signer's adoption and the firm's confidentiality line. No forum mandate for AI disclosure applies; if one applied it would be followed and recorded here.

§9 Notices and exhibits

9.1 Proof-of-loss module

Template with the ten content elements; the facts are taken by the licensed signer **with the insured**, and the insured or a corporate officer is the sworn declarant. The desk supplies the template, the attachment index and the exhibits only.

#	Element	Source of the facts on this file
1	Policy number, claim number, named insured, date of loss, location	D-001; D-016
2	Per-coverage amount claimed, stated as replacement cost and as actual cash value separately — building and personal property, increased cost of construction, business income, extra expense, extended business income, civil authority	§7.1. On this file the ACV figure is \$0 for every coverage , because no item is claimed on that basis. The proof of loss must still state the split on its face rather than omit the column, which is what an earlier draft did
3	Itemised repair and replacement estimate attached by exhibit	Exhibit D [D-005; D-006; D-018]
4	Inventories of damaged and undamaged property with quantities, costs, values and amount claimed	[D-017; D-018]
5	Business-interruption computation: monthly lost revenue, saved and continuing expenses, period of restoration and the document behind each assumption	Exhibit F [D-009; D-010; D-019]
6	Cause-of-loss statement with the allocation the insured will defend	Exhibit C; §4.5
7	The statutory fraud legend as it appears on the claim form: <i>"Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree."</i> (Fla. Stat. § 817.234(1)(b))	form
8	Signature block for the insured or officer with notary acknowledgment and authority evidence (entity, title, resolution)	form
9	Transmittal letter listing every attachment, with proof of delivery — the transmittal fixes the date the condition is met	form
10	Mortgagee acknowledgement where the mortgageholder may have to submit its own proof of loss	§9.7

Attachment index: Exhibits D, F, G, J, K, L and M; the moisture and engineering reports; the permit and inspection records; the invoice pack; the replacement-cost election and its transmittal (form 13); the insured's written representation as to the accuracy of the financial data.

Swearing gate — three facts the insured would otherwise swear past. The proof of loss is not sworn until (i) the fungi, wet-rot and bacteria provision has been read and quantified (O-1); (ii) the executed construction contract or board resolution is in the workfile (M-6); and (iii) the replacement-cost election and its transmittal are attached (form 13). Each is a fact the declarant would otherwise be asserting without the document behind it, and each is open at the date of this report.

9.2 Proof-of-loss clock card

Clock	Date	Trigger	Source	Owner	Escalation
Carrier's written request for the sworn proof of loss	2026-03-06	Carrier's letter	[D-016 p. 8]	Desk	—
Replacement-cost election window	2026-03-23	180 days from the 2025-09-24 loss; election recorded 2026-03-20 [D-016 p. 22]	CP 00 10 10 12 §G.3.c	Desk	Closed — met , three days inside. The election and its transmittal travel with the proof of loss (form 13)
Claim-handling acknowledgement	14 calendar days from each communication about the claim	Fla. Admin. Code R. 69O-166.024(1)	Desk	Any missed acknowledgement is recorded the same day	Enters the CRN worksheet (§9.5) as a dated event
Investigation start	10 working days from receipt of the proof of loss	Fla. Admin. Code R. 69O-166.024(3)	Desk	Diary from the transmittal receipt date, not the letter date	Escalate to the supervising adjuster the day the line is missed
Day 60	2026-05-05	60 days from the request	CP 00 10 10 12 §E.3.a(7)	Insured, with the signer	If not delivered by 2026-05-01, notify the supervising adjuster the same day
Carrier's notice of intentions	2026-05-28	30 days after receiving the sworn proof	§E.4.c	Desk	Written explanation request if no notice by 2026-05-30
Carrier's payment	2026-05-28	30 days after the sworn proof, once agreed or awarded	§E.4.g	Desk	Counsel instructed if unpaid by 2026-06-15
Form's legal-action condition vs the statutory period	2027-09-24 / 2030-09-24	The conflict at §4.6	CP 00 90 07 88 §D.2; § 95.03; § 95.11(2)(e)	Counsel	Counsel's written confirmation required before any date moves

9.3 Coverage-position letter

The letter at §4.12 is a **separate document in the delivery set** (...Coverage-Position-v1-2026-04-24.pdf) with its own transmittal and its own date, and it is **not** served with the demand. The reason is evidentiary: Fla. Stat. § 90.408 excludes offers to compromise and conduct in compromise negotiations, and § 627.70152(6)(a) excludes the pre-suit notice and its supporting documentation, so a coverage letter riding the demand would be read as compromise conduct and would take the notice documentation with it. Serve it as standalone coverage correspondence, record the date, and keep the transmittal in Exhibit K. No coverage or exclusion argument appears in the appraisal submission at §7 — a sentence that is now true of the document as served, not only of the intention (§7.3).

9.4 Pre-suit notice

The § 627.70152 notice of intent to initiate litigation has **not been filed**. The mechanics matter, and the earlier draft got them wrong: the notice is **filed with the Department on a form provided by the Department**, and the Department transmits it to the insurer's designated e-mail address — it is not "served on the carrier". It must be given at least **10 business days** before suit, and a court **must dismiss without prejudice** a suit filed without it or before the response period expires (§ 627.70152(5)). Elements, Exhibit I form 9: the section invoked; the alleged acts or omissions; the copy-provided statement; the estimate of damages where the notice is denial-based; and, where it is not, the presuit settlement demand itemising damages, attorney fees and costs, with the disputed amount (§ 627.70152(3)(a)5).

Tolling and admissibility, both of which the pack relies on: service tolls the § 95.11 limits for 10 business days where they would expire first (§ 627.70152(3)(b)); where the insurer requires appraisal or another dispute-resolution method, the limits are tolled while it is ongoing, and if it is not concluded within **90 days** after the 10-day period expires the claimant may file immediately (§ 627.70152(4)(b)); if the limits expire in the **30 days** following the presuit process, they are tolled 30 days (§ 627.70152(7)); and the notice and its supporting documentation are **inadmissible** (§ 627.70152(6)(a)).

The predicate problem, stated rather than papered over. § 627.70152(3)(a) provides that the notice "may not be given before the insurer has made a determination of coverage under s. 627.70131". On a structure over 10,000 sq ft, § 627.70131(7)(b)2 does not reach the claim, so there may be no such determination, ever. Saying flatly that the notice "is a condition precedent" overstates in the direction that gets a suit dismissed. **Counsel's choice, recorded and unanswered:** (i) treat a coverage letter as the determination and file the notice on that footing; or (ii) file and defend the § 627.70152(5) dismissal. The pack does not choose between them.

Fee position, stated because the statute requires the demand to itemise fees. No statutory fee-shifting is asserted for this admitted commercial property policy. The one-way fee right in § 627.428 was removed for residential and commercial property policies by the 2022 legislation and the section does not appear in the current statutes; the only fee route on this file is **§ 624.155(7)** — court costs and reasonable attorney fees on an adverse adjudication of a bad-faith claim — together with whatever the appraisal produces. Counsel's written answer is question 12 in Exhibit I form 7. A public adjuster deciding whether to take the file needs that line before signature, which is why it is here and not in a footnote.

9.5 Civil Remedy Notice

Not filed. The worksheet in Exhibit I, form 10 carries the elements: the statutory provision and its specific language, the facts, the individuals involved, the policy language relied on, and the statement of purpose. Filed with the Department at least 60 days before a bad-faith action, with the safe-harbour record kept. **Timing gate checked first**, with its applicability note: the appraisal-timing bar in § 624.155(3)(f) is written for residential claims and does not by its terms govern this commercial file, but the notice is not filed while an appraisal is pending in any event, as a matter of sequence.

The decision, not just the status. The CRN will **not** be filed while the appraisal is pending. It is filed on the trigger of a denial of the claim, or of non-payment 60 days after an appraisal award, and the § 624.155(3)(a) 60-day cure window runs from filing. On this file — five months after a Cat-2 hotel loss with no payment made and no advance paid (§3.4), and no reservation letter that quantifies a payment — the event counsel watches is the carrier's response to the proof of loss, not the appraisal demand.

9.6 Carrier-explanation requests

Date	Request	Authority relied on
2026-03-06	Written request for the carrier's explanation of how it priced the decking and insulation and its basis for applying depreciated values to the equipment	The policy's own loss-payment condition, CP 00 10 10 12 §E.4 , which requires the carrier to explain the basis for the amount paid. Not § 626.9541(1)(i)3.f — that subparagraph reaches only a written explanation of the basis for a denial or for the offer of a compromise settlement , and a pricing-and-depreciation request is neither. The earlier draft applied 3.f here; it does not fit
2026-03-30	Written request for the carrier's detailed estimate, for the basis of any payment below its own detailed estimate, and for the claim-file index	§ 627.70131(3)(e) and (7)(a), requested in the alternative with the section's applicability to a five-floor commercial risk flagged for counsel
2026-04-14	Written request that the carrier state its basis for not valuing the time element	§ 626.9541(1)(i)3.f, read with § 624.155(1) — this is the request 3.f fits , because declining to value a claimed coverage is a denial of that part of the claim. Read with Fla. Admin. Code R. 69O-166.024 and § 626.9541(1)(i)3.a (failure to adopt and implement standards for the proper investigation of claims), which is not gated by the 10,000 sq ft threshold

9.7 Mortgagee acknowledgement

The mortgageholder is noticed (2026-04-10) and may submit its own proof of loss under the form's condition (CP 00 10 10 12 §F.2.d(2)). Its loss-payee endorsement and the lender's required evidence are recorded in Exhibit I, form 11.

9.8 Exhibit index and register

§1. At an appraisal the exhibit index, not this narrative, is the operative document — a practice conclusion, not a rule of law: we treat the index as the document the panel works from, and it travels with the meaningful-exchange package the file records under *Romay* via *Mango Hill* (§7.8). The register and the text were reconciled one-to-one: every exhibit in the register is referenced in the text, and every text reference resolves to a register row.

9.9 Forms annex and appraiser vetting

Exhibit I is a numbered set. The earlier draft referred to "form 11", which did not exist, and used "form 7" for two different documents; both are fixed here, and every cross-reference in the pack resolves to this table.

Form	Document	Cited at
1	Engagement scope	\$8, \$0
2	Signer certification, with the workfile review memo and the second reviewer's signed record	\$0, \$1, \$9.10
3	This pack's exhibit register	\$1
4	Appraisal demand model	\$7.6
5	Appraiser vetting form and signed disclosure	\$7.6, \$9.9
6	Umpire shortlist and court-appointment outline	\$7.6
7	Florida attorney question set , with counsel's written answers (question 12 is the fee position at §9.4)	\$0, \$1, \$9.4, \$9.10
8	Counsel's forum note and confirmation record — split from form 7, which previously carried both documents	\$7.6, \$7.8
9	§ 627.70152 notice elements and worksheet	\$9.4
10	Civil Remedy Notice worksheet	\$9.5
11	Mortgagee acknowledgement	\$9.7
12	Florida engagement module — executed Public Adjuster Contract (§ 626.8796(1)–(2)), the § 626.8796(2) commercial affidavit where the firm qualifies, the insured's written appointment of the firm, the licence-verification record and the 7-day remittance proof	\$4.12 P-7, \$8, \$9.10
13	Replacement-cost election and its transmittal [D-016 p. 22]	\$4.7, \$4.10, \$9.1

The reciprocal request for the carrier's appraiser disclosures and the conflicts screen travel with form 5.

Our appraiser's vetting. Flat hourly fee only; no contingency; no prior role as adjuster on this file; not a party's attorney; a written disclosure statement served with the demand. The rule is labelled: the flat-or-hourly and no-contingency requirements are **order-driven where a court supervises the appraisal**. Under the ISO wording, which uses "competent and impartial" rather than "disinterested", the Third District has required **disclosure** of a direct or indirect financial interest rather than automatic disqualification — *Brickell Harbour Condo. Ass'n v. Hamilton Specialty Ins. Co.*, 256 So. 3d 245 (Fla. 3d DCA 2018), following *Rios v. Tri-State Ins. Co.*, 714 So. 2d 547 (Fla. 3d DCA 1998); that is persuasive in the First District, where this risk sits, and is not binding there.

That is not the last word, and the earlier draft implied it was. The Second District certified conflict with *Brickell Harbour*, and the Supreme Court answered in *Parrish v. State Farm Fla. Ins. Co.*, 356 So. 3d 771 (Fla. 2023), holding that a public adjuster with a contingent-fee interest cannot serve as a **"disinterested"** appraiser. *Parrish* is binding statewide; *Brickell Harbour* remains the Third District's reading of the different word "impartial". The distinction the pack draws therefore turns on the clause's word — which is the right distinction — and it is why our appraiser is flat hourly with no contingency, and discloses the fee. **Serving the 2018 district opinion without the Supreme Court's answer would be the citation a carrier uses to show the signer did not read the line.**

The umpire is the tie-breaker. A challenge to the umpire's impartiality is assumed to be confined to the four grounds § 627.70151 enumerates (§7.6). The reciprocity request asks the carrier to make the same disclosures for its appraiser.

9.10 Signer certification and signature block

Scope strip, repeated in full from page 1. The signer adopts the **factual allocation** of each loss item, the estimate comparison, the business-interruption model and the valuation judgements in §2 and §4–§7, and signs the certification to that extent. This pack does not decide whether the insured has complied with every post-loss condition (stated as facts in §4.6 and not adjudicated); any question of law; the reading of any statute where a conflict is flagged (§4.6, §4.10); the amount of any award; or the insured's entitlement to attorney fees and costs. **The statutory construction at §4.12 P-1, P-6 and P-7 and at §7.8 is counsel's:** it is adopted by this certification only if the written answers to Exhibit I form 7 are annexed and current on the date of signature, and if they are not, those passages are carried for information and are expressly not adopted.

Block	Content
Signer	[Name], [firm], Florida public adjuster licence 25-07 — number stated on the executed certification; licence verified active for the state of the risk before signature
What the signer adopts	The factual coverage allocation (§4.2–§4.5), the estimate comparison and its buckets (§5), the business-interruption model and bridge (§6), and the number contended (§7.1), each as signed and dated below. The legal construction in §4.12 P-1, P-6 and P-7 and in §7.8 is adopted only if counsel's written answers (form 7) are annexed and current; otherwise it is not adopted. Per coverage, the amounts adopted: building and business personal property \$652,835 gross and \$327,835 net of the \$325,000 windstorm/hail deductible; increased cost of construction \$10,000; business income \$876,682; extra expense \$96,400; extended business income \$34,472; civil authority \$0; total net contended \$1,345,389, with the \$1,080,346 floor stated at §7.1; ordinance-and-law exposure of \$186,000, of which \$176,000 is uninsured, stated as a gap and not adopted as a payable amount
What the signer does not adopt	The open items at §3.10 (each in full), the unread endorsement pages at O-9, the fungi provision at O-1, the agreed-value reconciliation at O-3, the civil-authority order question at O-7 and the surge record at O-8. The desk's licensing position at §8 is not adopted by the signer either: it is answered in form 12, and this certification is not signed until form 12 is complete
Adoption of the desk's work	The signer has reviewed the exhibits, corrected them where necessary, and adopts the analysis as the signer's own opinion. The desk is named as preparer, never as author of the opinions
Qualification and limitations	Ten years of relevant experience, licence in good standing, no interest in the property or the parties, no prior involvement for the carrier, and the limitations in the scope strip
Publications (previous 10 years) and prior testimony (previous 4 years)	Rule-26-shaped disclosure, included because counsel may use this pack as the basis of a report: none relevant to this file — no publications, no testimony in the previous four years. The lists are maintained in the workfile and disclosed on request
Compensation	Hourly, as disclosed in the engagement letter; no contingency; no result-linked component. This row is the certification's disclosure to the reader and is not the statutory statement. Section 626.8796(2) requires the percentage of compensation in minimum 18-point bold type before the space reserved for the insured's signature in a contract titled "Public Adjuster Contract", with the § 817.234 felony statement in minimum 18-point bold type under subsection (1). That document is form 12; this row does not substitute for it
Independence	No bias; the opinions are limited only by the stated assumptions and the scope strip; the engagement was not contingent on any predetermined result
What this pack does not decide	As stated in the scope strip above, and the open items at §3.10, which the signer does not adopt
Signature and date	_____ (signer) · date _____ · this certification binds the signer only. A transmittal letter signed in the firm's name does not adopt it: the earlier draft's "any person who signs any part of this pack, including a transmittal letter, signs this certification" is struck, because it would make a transmittal signer adopt \$1,345,389 of figures and the analysis behind them without having read them

9.11 Workfile note

The workfile exists before this report is issued and holds true copies of the issued pack and its exhibits, the change log, the signed certification, the source documents listed at §3.1 and the superseded versions of every exhibit, each labelled "SUPERSEDED — do not send". Retention: at least five years after preparation, or two years after final disposition of any proceeding, whichever is later, as a desk convention modeled on appraisal-practice record-keeping.

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