

Po Box 2915
Bloomington IL 61702-2915

Named Insured

AT3 000416 3125 M-05-9ED4-FA58 F V
RED CEDAR CANYON TOWNHOUSE
ASSOCIATION INC
C/O MJF & ASSOCIATES
1940 GREELEY ST S STE 104
STILLWATER MN 55082-6059



Policy Number	99-BY-A635-7	
Policy Period	Effective Date	Expiration Date
12 Months	OCT 10 2023	OCT 10 2024
The policy period begins and ends at 12:01 am standard time at the premises location.		

Agent and Mailing Address

C W CHARLSON INS AGCY INC
6993 35TH ST N STE 1
OAKDALE MN 55128-3145

PHONE: (651) 770-1849

Residential Community Association Policy

Automatic Renewal - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

Entity: Corporation

NOTICE: Information concerning changes in your policy language is included. Please call your agent if you have any questions.

We are required by Wisconsin Law to inform you that if your payment is not received within 12 days after the due date, a notice will be sent stating the effective date of any cancellation for nonpayment.

POLICY PREMIUM \$ 37,969.00

Discounts Applied:
Renewal Year
Multiple Unit
Claim Record

Prepared
JUL 28 2023
CMP-4000

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RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for RED CEDAR CANYON TOWNHOUSE
 Policy Number 99-BY-A635-7

SECTION I - PROPERTY BLANKET

Coverage A - Buildings
 Coverage B - Business Personal Property

Limit of Insurance*
 \$ 41,046,200
 No Coverage

Location Number	Location of Described Premises
001	45,47 DEERWOOD CT HUDSON WI 54016-7734
002	37,39,41,43 DEERWOOD CT HUDSON WI 54016-7734
003	49,51,61,63 DEERWOOD CT HUDSON WI 54016-7734
004	53,55,57,59 DEERWOOD CT HUDSON WI 54016-7734
005	65,67,77,79 DEERWOOD CT HUDSON WI 54016-7734
006	69,71,73,75 DEERWOOD CT HUDSON WI 54016-7734
007	81,83,85,87 DEERWOOD CT HUDSON WI 54016-7734
008	89,91,93,95 DEERWOOD CT HUDSON WI 54016-7734

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RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for RED CEDAR CANYON TOWNHOUSE
 Policy Number 99-BY-A635-7



0211-ST-0001

Location Number	Location of Described Premises
009	97,99,101,103 DEERWOOD CT HUDSON WI 54016-7734
010	105,107,109,111 DEERWOOD CT HUDSON WI 54016-7733
011	113,115,117,119 DEERWOOD CT HUDSON WI 54016-7733
012	121,123,125,127 DEERWOOD CT HUDSON WI 54016-7733
013	129,131,133,135 DEERWOOD CT HUDSON WI 54016-7733
014	137,139 DEERWOOD CT HUDSON WI 54016-7733
015	141,143 DEERWOOD CT & 153,155 W CANYON DR HUDSON WI 54016-7733
016	145,147 DEERWOOD CT & 149,151 W CANYON DR HUDSON WI 54016-7733
017	157,159,169,171 W CANYON DR HUDSON WI 54016
018	161,163,165,167 W CANYON DR HUDSON WI 54016

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RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for RED CEDAR CANYON TOWNHOUSE
Policy Number 99-BY-A635-7

Location Number	Location of Described Premises
019	173,175,185,187 W CANYON DR HUDSON WI 54016
020	177,179,181,183 W CANYON DR HUDSON WI 54016
021	189,191,201,203 W CANYON DR HUDSON WI 54016-7721
022	193,195,197,199 W CANYON DR HUDSON WI 54016-7721
023	207,209,219,221 W CANYON DR HUDSON WI 54016-7720
024	211,213,215,217 W CANYON DR HUDSON WI 54016-7720
025	223,225,237,239 W CANYON DR HUDSON WI 54016-7719
026	229,231,233,235 W CANYON DR HUDSON WI 54016-7719
027	241,243,253,255 W CANYON DR HUDSON WI 54016-7719
028	245,247,249,251 W CANYON DR HUDSON WI 54016-7719

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RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for RED CEDAR CANYON TOWNHOUSE
 Policy Number 99-BY-A635-7



0311-ST-0001

Location Number	Location of Described Premises
029	257,259,261,263 W CANYON DR HUDSON WI 54016-7719

* As of the effective date of this policy, the Limit of Insurance as shown includes any increase in the limit due to Inflation Coverage.

SECTION I - INFLATION COVERAGE INDEX(ES)

Inflation Coverage Index: 230.0

SECTION I - DEDUCTIBLES

Basic Deductible \$20,000

Special Deductibles:

Money and Securities	\$250	Employee Dishonesty	\$250
Equipment Breakdown	\$2,500		

Other deductibles may apply - refer to policy.

SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH DESCRIBED PREMISES

The coverages and corresponding limits shown below apply separately to each described premises shown in these Declarations, unless indicated by "See Schedule." If a coverage does not have a corresponding limit shown below, but has "Included" indicated, please refer to that policy provision for an explanation of that coverage.

COVERAGE	LIMIT OF INSURANCE
Collapse	Included

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RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for RED CEDAR CANYON TOWNHOUSE
Policy Number 99-BY-A635-7

Damage To Non-Owned Buildings From Theft, Burglary Or Robbery	Coverage B Limit
Debris Removal	25% of covered loss
Equipment Breakdown	Included
Fire Department Service Charge	\$5,000
Fire Extinguisher Systems Recharge Expense	\$5,000
Glass Expenses	Included
Increased Cost Of Construction And Demolition Costs (applies only when buildings are insured on a replacement cost basis)	10%
Newly Acquired Business Personal Property (applies only if this policy provides Coverage B - Business Personal Property)	\$100,000
Newly Acquired Or Constructed Buildings (applies only if this policy provides Coverage A - Buildings)	\$250,000
Ordinance Or Law - Equipment Coverage	Included
Preservation Of Property	30 Days
Water Damage, Other Liquids, Powder Or Molten Material Damage	Included

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SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH COMPLEX

The coverages and corresponding limits shown below apply separately to each complex as described in the policy.

COVERAGE	LIMIT OF INSURANCE
Accounts Receivable	
On Premises	\$50,000
Off Premises	\$15,000
Arson Reward	\$5,000
Forgery Or Alteration	\$10,000
Money And Securities (Off Premises)	\$5,000

RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for RED CEDAR CANYON TOWNHOUSE
Policy Number 99-BY-A635-7



0411-ST-0001

Money And Securities (On Premises)	\$10,000
Money Orders And Counterfeit Money	\$1,000
Outdoor Property	\$5,000
Personal Effects (applies only to those premises provided Coverage B - Business Personal Property)	\$2,500
Personal Property Off Premises	\$15,000
Pollutant Clean Up And Removal	\$10,000
Property Of Others (applies only to those premises provided Coverage B - Business Personal Property)	\$2,500
Signs	\$2,500
Valuable Papers And Records	
On Premises	\$10,000
Off Premises	\$5,000

SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - PER POLICY

The coverages and corresponding limits shown below are the most we will pay regardless of the number of described premises shown in these Declarations.

COVERAGE	LIMIT OF INSURANCE
Back-Up of Sewer or Drain	Included
Employee Dishonesty	\$25,000
Loss Of Income And Extra Expense	Actual Loss Sustained - 12 Months

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RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for RED CEDAR CANYON TOWNHOUSE
Policy Number 99-BY-A635-7

SECTION II - LIABILITY

COVERAGE	LIMIT OF INSURANCE
Coverage L - Business Liability	\$1,000,000
Coverage M - Medical Expenses (Any One Person)	\$5,000
Damage To Premises Rented To You	\$300,000
AGGREGATE LIMITS	LIMIT OF INSURANCE
Products/Completed Operations Aggregate	\$2,000,000
General Aggregate	\$2,000,000

Each paid claim for Liability Coverage reduces the amount of insurance we provide during the applicable annual period. Please refer to Section II - Liability in the Coverage Form and any attached endorsements.

JUL 28 2023

Your policy consists of these Declarations, the BUSINESSOWNERS COVERAGE FORM shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

FORMS AND ENDORSEMENTS

CMP-4100	Businessowners Coverage Form
CMP-4249.2	*Amendatory Endorsement
FE-6999.3	*Terrorism Insurance Cov Notice
CMP-4561.4	*Policy Endorsement
CMP-4550	Residential Community Assoc
CMP-4746.1	Hired Auto Liability
FE-3650	Actual Cash Value Endorsement
CMP-4705.2	Loss of Income & Extra Expense
CMP-4508	Money and Securities
CMP-4710	Employee Dishonesty
CMP-4829	Guaranteed Replacement Cost
CMP-4862	Building Ordinance or Law Cov
CMP-4701	Addl Property Not Covered

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RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for RED CEDAR CANYON TOWNHOUSE
Policy Number 99-BY-A635-7

FD-6007

Inland Marine Attach Dec
* New Form Attached



0511-ST-0001

This policy is issued by the State Farm Fire and Casualty Company.

Participating Policy

You are entitled to participate in a distribution of the earnings of the company as determined by our Board of Directors in accordance with the Company's Articles of Incorporation, as amended.

In Witness Whereof, the State Farm Fire and Casualty Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.

Lynne M. Youall
Secretary

Michael F. Lippert
President

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RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for RED CEDAR CANYON TOWNHOUSE
Policy Number 99-BY-A635-7

NOTICE TO POLICYHOLDER:

For a comprehensive description of coverages and forms, please refer to your policy.

Policy changes requested before the "Date Prepared", which appear on this notice, are effective on the Renewal Date of this policy unless otherwise indicated by a separate endorsement, binder, or amended declarations. Any coverage forms attached to this notice are also effective on the Renewal Date of this policy.

Policy changes requested after the "Date Prepared" will be sent to you as an amended declarations or as an endorsement to your policy. Billing for any additional premium for such changes will be mailed at a later date.

If, during the past year, you've acquired any valuable property items, made any improvements to insured property, or have any questions about your insurance coverage, contact your State Farm agent.

Please keep this with your policy.

Your coverage amount....

It is up to you to choose the coverage and limits that meet your needs. We recommend that you purchase a coverage limit equal to the estimated replacement cost of your structure. Replacement cost estimates are available from building contractors and replacement cost appraisers, or, your agent can provide an estimate from Xactware, Inc.[®] using information you provide about your structure. We can accept the type of estimate you choose as long as it provides a reasonable level of detail about your structure. State Farm[®] does not guarantee that any estimate will be the actual future cost to rebuild your structure. Higher limits are available at higher premiums. Lower limits are also available, as long as the amount of coverage meets our underwriting requirements. We encourage you to periodically review your coverages and limits with your agent and to notify us of any changes or additions to your structure.

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Named Insured

M-05-9ED4-FA58 F V

RED CEDAR CANYON TOWNHOUSE
ASSOCIATION INC
C/O MJF & ASSOCIATES
1940 GREELEY ST S STE 104
STILLWATER MN 55082-6059



0611-ST-0001

INLAND MARINE ATTACHING DECLARATIONS

Policy Number	99-BY-A635-7	
Policy Period	Effective Date	Expiration Date
12 Months	OCT 10 2023	OCT 10 2024
The policy period begins and ends at 12:01 am standard time at the premises location.		

ATTACHING INLAND MARINE

Automatic Renewal - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

Annual Policy Premium Included

The above Premium Amount is included in the Policy Premium shown on the Declarations.

Your policy consists of these Declarations, the INLAND MARINE CONDITIONS shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

Forms, Options, and Endorsements

FE-8739 Inland Marine Conditions
FE-8266 Amendatory Endorsement
FE-8743.1 Inland Marine Computer Prop

See Reverse for Schedule Page with Limits

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FD-6007

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ATTACHING INLAND MARINE SCHEDULE PAGE

ATTACHING INLAND MARINE

ENDORSEMENT NUMBER	COVERAGE	LIMIT OF INSURANCE	DEDUCTIBLE AMOUNT	ANNUAL PREMIUM
FE-8743.1	Inland Marine Computer Prop	\$ 10,000	\$ 500	Included
	Loss of Income and Extra Expense	\$ 10,000		Included

JUL 28 2023

OTHER LIMITS AND EXCLUSIONS MAY APPLY - REFER TO YOUR POLICY

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FD-6007

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IMPORTANT NOTICE**Regarding Changes to Your Policy**

CMP-4249.2 AMENDATORY ENDORSEMENT (Wisconsin) is added to your State Farm® policy and replaces **CMP-4249.1 AMENDATORY ENDORSEMENT (Wisconsin)**.

Editorial changes have been made to the following provisions:

- **SECTION I – CONDITIONS, Mortgageholders**
- **SECTION I AND SECTION II – COMMON POLICY CONDITIONS, Cancellation**
- **SECTION I AND SECTION II – COMMON POLICY CONDITIONS, When We Do Not Renew**
- **SECTION I AND SECTION II – COMMON POLICY CONDITIONS, Renewal With Altered Terms**

The endorsement follows this notice. Please read the endorsement and place it with your policy. If you have any questions, please contact your State Farm agent.

DISCLAIMER: This notice only provides a general summary of changes to your State Farm policy. This notice is not a statement of contract. This notice does not change, modify, or invalidate the provisions, terms, or conditions as set forth in your State Farm policy booklet, the most recently issued declarations, and any applicable endorsements.

AMENDATORY ENDORSEMENT (Wisconsin)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM**A. SECTION I is amended as follows:**

1. The following is added to Paragraph 2. of **SECTION I – EXCLUSIONS:**

Innocent Insureds

- (1) We will not pay for loss arising out of any act committed:
 - (a) By or at the direction of any insured; and
 - (b) With the intent to cause a loss.
- (2) However, this exclusion will not apply to deny coverage to an insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this policy and
 - (a) The loss arose out of an act or pattern of abuse or domestic abuse; and
 - (b) The perpetrator of the loss is criminally prosecuted for the act or acts causing the loss.
- (3) If we pay a claim pursuant to Paragraph (2) above, our payment to the innocent insured is limited to that insured's ownership interest in the property less any payments we first made

to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit Of Insurance.

2. SECTION I – CONDITIONS is amended as follows:

- a. The following is added to Paragraph 1.e. under **Loss Payment of the Property Loss Conditions:**

When this policy insures real property in Wisconsin, which is owned and occupied by you primarily as a dwelling, and the property is wholly destroyed, we will pay the Limit Of Insurance that applies to such property.

If a municipality, which is a first class city, has elected to apply the provisions of Wis. Stat. Ann. Secs. 632.10 through 632.104, a part of our payment for fire or explosion loss to your covered real property in that municipality will be withheld if the loss is subject to these provisions.

- (a) The withheld amount will be paid in accordance with the law, to the following:
 - i. The municipality where the covered property is located;

- ii. You and any other interest named in the Declarations; or
- iii. The mortgageholder, if any.

However, we will not pay more than the amount of loss payable under this policy.

- (b) Within 10 days after withholding the required amount, we will give written notice of the withholding to the following:

- i. The building inspection official of the municipality where the covered property is located;
- ii. You;
- iii. Any mortgageholder and any other lienholder who has an existing lien against the property and is named in the Declarations; and
- iv. The court in which judgment was entered if the final settlement was determined by judgment.

- (c) We will not be liable in any cause of action, nor may any liability be imposed on us, arising from the payment, withholding or transferring of all or any portion of a final settlement in accordance with Wis. Stat. Ann. Secs. 632.10 through 632.104.

- b. Paragraphs 2.b.(6) and 2.b.(7) under **Mortgageholders of the Property General Conditions** are replaced by the following:

- (6) If we cancel this policy, we will provide notice to the mortgageholder at least:

- (a) 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or
- (b) 30 days before the effective date of cancellation if we cancel for any other reason.

- (7) If we elect not to renew this policy, we will provide notice to the mortgageholder at least 10 days before the expiration date of this policy.

- B. SECTION II is amended as follows:

Paragraph 4. Legal Action Against Us does not apply.

- C. SECTION I AND SECTION II – COMMON POLICY CONDITIONS is amended as follows:

- 1. Paragraph 2. is replaced by the following:

2. Concealment, Misrepresentation Or Fraud

- a. No misrepresentation and no breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this policy affects our obligations

unless, if a misrepresentation, the person knew or should have known that the representation was false, and unless:

- (1) We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or

- (2) The facts misrepresent or falsely warranted contribute to the loss.

- b. No failure of a condition before a loss and no breach of a promissory warranty affects our obligation under this policy unless such failure or breach exists at the time of loss and either:

- (1) Increases the risk at the time of loss; or

- (2) Contributes to the loss.

- 2. Paragraph 8. is replaced by the following:

8. Premiums

- a. The first Named Insured shown in the Declarations:

- (1) Is responsible for the payment of all premiums; and

- (2) Will be the payee for any return premiums we pay.

- b. The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

- c. Unless otherwise provided by an alternative payment plan in effect with "State Farm Companies", you may continue this policy in force by paying a continuation premium for each successive one-year period. The premium must be:

- (1) Paid to us prior to the anniversary date; and

- (2) Determined in accordance with Paragraph b. above.

Our forms then in effect will apply.

- d. Undeclared exposures or change in your business operation, acquisition, or use of premises may occur during the policy period that are not shown in the Declarations.

If so, we may require an additional premium. That premium will be determined in accordance with our rates and rules then in effect.

When you request changes to this policy, or the information or factors used to calculate the premium for this policy changes during the policy period, we may adjust the premium in accordance with the change during the policy period and you must pay any additional premium due within the time we specify.

- e. The premium for this policy may vary based upon:
 - (1) The purchase of other products or services from the "State Farm Companies".
 - (2) The purchase of products or services from an organization that has entered into an agreement or contract with the "State Farm Companies". The "State Farm Companies" do not warrant the merchantability, fitness, or quality of any product or service offered or provided by that organization; or
 - (3) An agreement, concerning the insurance provided by this policy, that the "State Farm Companies" has with an organization in which you have a membership, or of which you are a subscriber, licensee, or franchisee.
- f. Your purchase of this policy may allow:
 - (1) You to purchase or obtain certain coverages, coverage options, coverage deductibles, coverage limits, or coverage terms on other products from the "State Farm Companies", subject to their applicable eligibility rules; or
 - (2) The premium or price for other products or services purchased by you, including non-insurance products or services, to vary. Such other products or services must be provided by the "State Farm Companies" or by an organization that has entered into an agreement or contract with the "State Farm Companies". The "State Farm Companies" do not warrant the merchantability, fitness, or quality of any product or service offered or provided by that organization.

- 3. The following is added to Paragraph 10. Transfer Of Rights Of Recovery Against Others To Us:

Applicable to **SECTION I – PROPERTY** and **SECTION II – LIABILITY**:

We will be entitled to a recovery only after you have been fully compensated for damages.

- 4. Paragraph 12. is replaced by the following:

12. Conformity To Statute Or Rule

Any provision of this policy that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

- 5. The following **COMMON POLICY CONDITIONS** are added:

Cancellation

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
 - b. We may cancel this policy by providing to the first Named Insured notice of cancellation at least 10 days before the effective date of cancellation.
 - (1) If this policy has been in effect for less than 60 days and is not a renewal policy, we may cancel for any reason.
 - (2) If this policy has been in effect for 60 days or more or is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:
 - (a) The policy was obtained by material misrepresentation;
 - (b) There has been a substantial change in the risk we originally assumed, except to the extent that we should have foreseen the change or considered the risk in writing the policy;
 - (c) There have been substantial breaches of contractual duties, conditions or warranties; or
 - (d) Nonpayment of premium.
- The notice of cancellation will state the reason for cancellation.
- c. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.



- d. If this policy is cancelled, we will send the first Named Insured any premium refund due. The refund will be pro rata. The cancellation will be effective even if we have not made or offered a refund.
- e. If this policy insured more than one Named Insured:
 - (1) The first Named Insured may affect cancellation for the account of all insureds; and
 - (2) Our notice of cancellation to the first Named Insured is notice to all insureds. Payment of unearned premium to the first Named Insured is for the account of all interests therein.

Rescission

- a. We may rescind this policy because of the following:
 - (1) Misrepresentation made by you or on your behalf in the negotiation for or procurement of this policy, if the person knew or should have known that the representation was false;
 - (2) Breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this policy;
 - (3) Failure of a condition before a loss if such failure exists at the time of loss; or
 - (4) Breach of a promissory warranty if such breach exists at the time of loss.
- b. We may not rescind this policy:
 - (1) For the reasons in Paragraphs a.(1) and a.(2) above, unless:
 - (a) We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or
 - (b) The facts misrepresented or falsely warranted contribute to the loss.
 - (2) For the reasons in Paragraphs a.(3) and a.(4) above, unless such failure or breach:
 - (a) Increases the risk at the time of loss; or
 - (b) Contributes to the loss.

- c. If we decide to rescind this policy, we will notify the first Named Insured of our intention within 60 days after acquiring knowledge of sufficient facts to constitute grounds for rescission.

When We Do Not Renew

- a. If we decide not to renew this policy, for any reason, we will provide to the first Named Insured shown in the Declarations notice of nonrenewal at least 60 days before the expiration date of this policy. Our notice will state the reason for nonrenewal.
 - b. We need not provide the notice if:
 - (1) You have insured elsewhere;
 - (2) You have accepted replacement coverage;
 - (3) You have requested or agreed to nonrenewal of this policy; or
 - (4) This policy is expressly designated as nonrenewable.
- c. If you fail to pay the renewal or continuation premium by the premium due date, this policy will terminate on the policy expiration or anniversary date, if we have:
 - (1) Provided you notice of the renewal or continuation premium not more than 75 days nor less than 10 days prior to the due date of the premium; and
 - (2) Stated clearly in the notice the effect of nonpayment of premium by the due date.

Renewal With Altered Terms

- a. If we decide to renew this policy but on less favorable terms or at higher premiums, we will provide notice of the new terms or premiums to the first Named Insured at least 60 days prior to the renewal date.
 - b. If we notify the first Named Insured within 60 days prior to the renewal date, the new terms or premiums will not take effect until 60 days after the notice was provided. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the renewal policy at any time during the 60 day period, in accordance with the Cancellation Condition added above. If the first Named Insured elects to cancel the renewal policy during the 60 day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

- c. We need not provide this notice if the only change adverse to you is a premium increase that:

- (1) Is less than 25% and is generally applicable to the class of business to which this policy belongs; or
- (2) Results from a change based on your action that alters the nature or extent of the risk insured against, including but not limited to a change in the classification or the units of exposure, or increased policy coverage.

Knowledge And Acts Of Agents

- a. If the agent who bound us or issued this policy or transmitted the application to us knows any

fact that breaches a condition of this policy, we will be considered to know it also if that fact:

- (1) Is known to the agent at the time the policy is issued or application is made; or
- (2) Later becomes known to the agent in the course of his or her dealings as an agent with you.

- b. Any fact that breaches a condition of this policy and is known to the agent before the loss will not:

- (1) Void this policy; or
- (2) Prevent a recovery in the event of loss.

All other policy provisions apply.

CMP-4249.2

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FE-6999.3

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In accordance with the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2019, this disclosure is part of your policy.

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is not excluded from your policy. However your policy does contain other exclusions which may be applicable, such as an exclusion for nuclear hazard. You are hereby notified that the Terrorism Risk Insurance Act, as amended in 2019, defines an act of terrorism in Section 102(1) of the Act. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under this policy, any covered losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. Under the formula, the United States Government generally reimburses 80% beginning on January 1,

2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

There is no separate premium charged to cover insured losses caused by terrorism. Your insurance policy establishes the coverage that exists for insured losses. This notice does not expand coverage beyond that described in your policy.

THIS IS YOUR NOTIFICATION THAT UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER YOUR POLICY MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT AND MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE YOUR COVERAGE.

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IMPORTANT NOTICE

Regarding Changes to Your Policy

CMP-4561.4 POLICY ENDORSEMENT is added to your State Farm® policy and replaces **CMP-4561.1 POLICY ENDORSEMENT**.

The following changes to your policy are effective with this policy term:

- **SECTION II – DEFINITIONS: Paragraph 18. Personal and Advertising Injury:**
 - Infringement of another's patent, trademark, or trade secret is no longer within the definition of personal and advertising injury.
- **SECTION II – EXCLUSIONS: Paragraph 17. Personal and Advertising Injury:**
 - Damages from infringement of another's patent, trademark, or trade secret continue to be specifically excluded under this policy.

The endorsement follows this notice. Please read the endorsement and place it with your policy. If you have any questions, please contact your State Farm agent.

DISCLAIMER: This notice only provides a general summary of changes to your State Farm policy. This notice is not a statement of contract. This notice does not change, modify, or invalidate the provisions, terms, or conditions as set forth in your State Farm policy booklet, the most recently issued declarations, and any applicable endorsements.

POLICY ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

1. BUSINESSOWNERS COVERAGE FORM TABLE OF CONTENTS is amended as follows:

- a. The title Electronic Data is changed to Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability.
- b. The title Recording And Distribution Of Material or Information In Violation Of Law is changed to Recording And Distribution Of Material.

2. Paragraph 2.f. Dishonesty under **SECTION I – EXCLUSIONS** is replaced by the following:

f. Dishonesty

- (1) Dishonest or criminal acts by you, anyone else with an interest in the property, or any of your or their partners, "members", officers, "managers", employees, directors, trustees, or authorized representatives, whether acting alone or in collusion with each other or with any other party; or
- (2) Theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion applies whether or not an act occurs during your normal hours of operation.

This exclusion does not apply to acts of destruction by your employees; but theft by your employees is not covered.

With respect to accounts receivable and "valuable papers and records", this exclusion does not apply to carriers for hire.

3. SECTION I — EXTENSIONS OF COVERAGE is amended as follows:

a. Paragraph 4.a.(1) under Collapse is replaced by the following:

- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building;

b. Paragraph 5. is replaced by the following:

5. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss caused by covered water or other liquid, powder, or molten material occurs, we will also pay the cost to tear out and replace only that particular part of the covered building or structure necessary to gain access to the specific

point of that system or appliance from which the water or other substance escaped.

We will not pay the cost to repair any defect that caused the loss; but we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:

- a. Results in discharge of any substance from an automatic fire protection system; or
- b. Is directly caused by freezing.

The amount we pay under this Extension of Coverage will not increase the applicable Limit of Insurance.

- c. Paragraph 13. is replaced by the following:

13. Personal Property Off Premises

You may extend the insurance provided by this coverage form to apply to Covered Property, other than “money” and “securities”, “valuable papers and records”, or accounts receivable, while it is in the course of transit or at another premises. The most we will pay for loss in any one occurrence under this Extension Of Coverage is the Limit Of Insurance for Personal Property Off Premises shown in the Declarations.

The amount we pay under this Extension Of Coverage is an additional amount of insurance.

If the Covered Property is located at another premises you own, lease, operate, or regularly use, the insurance provided under this extension applies only if the loss occurs within 90 days after the property is first moved.

The Other Insurance Condition contained in **SECTION I AND SECTION II — COMMON POLICY CONDITIONS** does not apply to this Extension Of Coverage. The insurance provided under this Extension Of Coverage is primary and does not contribute with any other insurance.

- d. The following is added to Paragraph 22.e. under **Equipment Breakdown**:

Paragraph 5.b. under **Coverage B – Business Personal Property** is replaced by:

- b. Be your responsibility to maintain or insure according to the terms of your lease or rental agreement.

- e. The following is added:

Business Personal Property In Portable Storage Units

You may extend the insurance provided by this coverage form to apply to Business Personal Property, other than “money” and “securities”, “valuable papers and records”, or accounts receivable, while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the described premises. The most we will pay for loss under this Extension Of Coverage is \$10,000.

The amount we pay under this Extension Of Coverage will not increase the applicable Limit Of Insurance.

Coverage will end 90 days after Business Personal Property has been placed in the storage unit. Coverage does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the Business Personal Property has been stored there for 90 or fewer days at the time of loss.

4. **SECTION II — LIABILITY** is amended as follows:

- a. **Section II – Exclusions** is amended as follows:

- (1) The following is added to Paragraph 3. **Liquor Liability**:

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by an insured, or providing or failing to provide transportation with respect to any person that may be under the influence of alcohol if the “occurrence” which caused the “bodily injury” or “property damage” involved that which is described in Paragraph 3.a.

- (2) Paragraph 8.f. under **Aircraft, Auto Or Watercraft** is replaced by the following:

- f. “Bodily injury” or “property damage” arising out of:

- (1) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of “mobile equipment” if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged;
- (2) The operation of any of the following machinery or equipment:
 - (a) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and



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- (b) Air compressors, pumps, and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment; or
- (3) The operation of your business from a land vehicle:
 - (a) While it is parked and functioning, other than “loading and unloading”, as a premises for your business operations; and
 - (b) That would qualify under the definition of “mobile equipment” if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.
- (3) Paragraphs 17.b. and 17.c. under **Personal And Advertising Injury** are replaced by the following:
 - b. Arising out of oral or written publication of material, in any manner, if done by or at the direction of the insured with knowledge of its falsity;
 - c. Arising out of oral or written publication of material, in any manner, whose first publication took place before the beginning of the policy period;
- (4) The last paragraph of 17.h. under **Personal And Advertising Injury** is replaced by the following:

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting;
- (5) Paragraphs 18. **Electronic Data** and 19. **Recording And Distribution Of Material In Violation Of Law** are replaced by the following:

18. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

 - a. Damages arising out of any access to or disclosure of any person’s or organization’s confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, or

any other type of nonpublic information; or

- b. Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses, or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph a. or b. above.

As used in this exclusion, electronic data means information, facts, or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices, or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve, or send data.

19. Recording and Distribution of Material

Damages arising directly or indirectly out of any communication, by or on behalf of any insured, that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), CAN-SPAM Act of 2003, Fair Credit Reporting Act (FCRA), or Fair and Accurate Credit Transaction Act (FACTA); including any regulations and any amendment of or addition to such statutes;
- b. Any federal, state or local law, statute, ordinance, or regulation, in addition to Paragraph a. above, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating, or distribution of material or information; or
- c. Any other federal, state or local law, statute, ordinance, or regulation that may provide a basis for a separate

claim or cause of action arising out of any communication referenced in Paragraphs a. or b. above.

- b. Paragraph 1.d.(2) under Coverage M – Medical Expenses of SECTION II – MEDICAL EXPENSES is replaced by the following:

- (2) Executes authorization to allow us to obtain copies of medical bills, medical records, and any other information we deem necessary to substantiate the claim.

Such authorizations must not:

- (a) Restrict us from performing our business functions in:
- i. Obtaining records, bills, information, and data; or
 - ii. Using or retaining records, bills, information, and data collected or received by us;
- (b) Require us to violate federal or state laws or regulations;
- (c) Prevent us from fulfilling our data reporting and data retention obligations to insurance regulators; or
- (d) Prevent us from disclosing claim information and data:
- i. To enable performance of our business functions;
 - ii. To meet our reporting obligations to insurance regulators;
 - iii. To meet our reporting obligations to insurance data consolidators; and
 - iv. As otherwise permitted by law.

If the holder of the information refuses to provide it to us despite the authorization, then at our request the person making claim or his or her legal representative must obtain the information and promptly provide it to us; and

- c. SECTION II — WHO IS AN INSURED is amended as follows:

- (1) Paragraph 1.c. does not apply.
- (2) Paragraphs 2.b.(1) and (4) are replaced by the following:
- (1) “Employees” with respect to “bodily injury” to:
- (a) Any co-“employee” arising out of and in the course of the co-“employee’s” em-

ployment or while performing duties related to the conduct of your business; or

- (b) The spouse, child, parent, brother, or sister of that co-“employee” as a consequence of Paragraph (a) above;
- (4) The owner of a “non-owned auto” or any agent of or any person or entity employed by such owner.
- d. Paragraph 2.b. under Financial Responsibility Laws of SECTION II — GENERAL CONDITIONS does not apply.
- e. SECTION II — DEFINITIONS is amended as follows:

- (1) Paragraph 2. is replaced by the following:

2. “Auto” means:

- a. A land motor vehicle, trailer, or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, “auto” does not include “mobile equipment”.

- (2) The following is added to Paragraph 15. “mobile equipment”:

However, “mobile equipment” does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered “autos”.

5. The following is added to SECTION I AND SECTION II – COMMON POLICY CONDITIONS:

Our Rights Regarding Claim Information

- a. We will collect, receive, obtain, use, and retain all the items described in Paragraph b.(1) below and use and retain the information described in Paragraph b.(3)(b) below, in accordance with applicable federal and state laws and regulations and consistent with the performance of our business functions.



- b. Subject to Paragraph a. above, we will not be restricted in or prohibited from:
- (1) Collecting, receiving, or obtaining records, receipts, invoices, medical bills, medical records, wage information, salary information, employment information, data, and any other information;
 - (2) Using any of the items described in Paragraph b.(1) above; or
 - (3) Retaining:
 - (a) Any of the items in Paragraph b.(1) above; or
 - (b) Any other information we have in our possession as a result of our processing, handling, or otherwise resolving claims submitted under this policy.
- c. We may disclose any of the items in Paragraph b.(1) above and any of the information described in Paragraph b.(3)(b) above:
- (1) To enable performance of our business functions;
 - (2) To meet our reporting obligations to insurance regulators;
 - (3) To meet our reporting obligations to insurance data consolidators;
 - (4) To meet other obligations required by law; and
 - (5) As otherwise permitted by law.
- d. Our rights under Paragraphs a., b., and c. above shall not be impaired by any:
- (1) Authorization related to any claim submitted under this policy; or
 - (2) Act or omission of an insured or a legal representative acting on an insured's behalf.
- All other policy provisions apply.

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