SURPLUS LINES STATEMENT

Policy Number	Insured Name
CIUHOA100191-05	BAY POINT TURTLEGRASS VILLAS ASSOCIATION, INC.

Surplus Lines Agent:

Brent Tredway
CRC Insurance Services, LLC
10375 Richmond Ave. Ste 500
Houston, TX 77042
License #: A267930

Premium:	$ 11,090.00
S/L Tax:	$ 572.55
FSLSO Service Fee:	$ 3.48
FHCF:	$ 0.00
CPIC Emergency Assessment:	$ 0.00
EMPA:	$ 4.00
Policy Fee	$ 500.00
Total:	$ 12,170.03

Producing Agent: WARREN MIDDLEMAS
4634 Gulfstarr Drive
Destin, FL 32541

Lic # A178199

THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.

SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.

Date: 8/25/2026

Surplus Lines Agent

SIGNATURE CLAUSE

In Witness Whereof, we have caused the policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.

CUMIS SPECIALTY INSURANCE COMPANY, INC.

Paul Barbato – Secretary

Chris J. Copeland - President

CUMIS SPECIALTY INSURANCE COMPANY

COMMERCIAL PACKAGE POLICY DECLARATIONS PAGE

Policy Number: CIUHOA100191-05 Renewal Of: CIUHOA100191-04

Inception Date: 9/2/2026 **Expiration Date:** 9/2/2027 **12:01 AM Standard Time at the address of the insured as stated herein.**

Named Insured and Address	Producing Agency Name and Address
BAY POINT TURTLEGRASS VILLAS ASSOCIATION, INC. PO BOX 15234 PANAMA CITY, FL 32406	Foundation Risk Partners, Corp. D/B/A: Acentria Insurance 4634 Gulfstarr Drive Destin, FL 32541

This policy consists of the following coverage parts for which a premium is indicated. The premium may be subject to audit by the company.

Coverage(s) Included in Policy	Premium
Commercial Property	Included
Commercial General Liability , Incl Hired/Non-Owned Auto	Included
Crime - Employee Dishonesty	Included
Directors & Officers Liability	Included
Policy Premium:	$11,090.00
Fees	
Policy Fee	$500.00
Surplus Lines Tax	$572.55
FLSLSO Service Fee	$3.48
FHCF Fee	$0.00
EMPA Fee	$4.00
CPIC Emergency Assessment Fee	$0.00
Total Premium and Fees:	$12,170.03

In Return For The Payment Of The Premium, And Subject To All The Terms Of This Policy, We Agree With You To Provide The Insurance As Stated In This Policy. This Policy Supercedes Any Previous Policy Bearing The Same Number And Policy Period.

"SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY STATE REGULATORY AGENCY."

Payment Method: **This is an agency bill policy.**

Premium payable at inception:

Countersigned this 25th day of August, 2026

Authorized Representative

POLICY LOCATION SCHEDULE

Policy Number: CIUHOA100191-05 **Policy Period:** 9/2/2026 **To:** 9/2/2027

Named Insured: BAY POINT TURTLEGRASS VILLAS ASSOCIATION, INC.

LOCATIONS OF ALL PREMISES YOU OWN, RENT, OR OCCUPY

Bldg #	Address	Building Name	Building Desc.	City	State	Zip
1	4400 KINGFISH LANE	DOCK 1	Docks & Piers	PANAMA CITY	FL	32408
2	4400 KINGFISH LANE	DOCK 2	Docks & Piers	PANAMA CITY	FL	32408
3	4400 KINGFISH LANE	DOCK 3	Docks & Piers	PANAMA CITY	FL	32408
4	4400 KINGFISH LANE	TURTLEGRASS VILLAS	Residential Building	PANAMA CITY	FL	32408

TruStage | CUMIS Specialty Insurance Company

Home Office:
2000 Heritage Way
Waverly, IA 50677

Administrative Office:
5910 Mineral Point Rd.
Madison, WI 53705

CUMIS SPECIALTY INSURANCE COMPANY

COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS PAGE

Policy Number: CIUHOA100191-05 **Policy Period:** 9/2/2026 **To:** 9/2/2027

Named Insured: BAY POINT TURTLEGRASS VILLAS ASSOCIATION, INC.

COVERAGES PROVIDED AND DESCRIPTION OF PREMISES: INSURANCE AT THE DESCRIBED PREMISIS APPLIES ONLY FOR THE COVERAGES SHOWN BELOW.

Description	Amount
Covered Cause	Special
Valuation	Replacement Cost
Agreed Amount - expires 9/2/2027	Included
Coinsurance, if Agreed Amount provision is not renewed	100%
AOP Deductible	$1,000
Hurricane Only Deductible, Per Occurrence	2%
Inflation Guard	0%
Terrorism	Excluded

Optional Coverage:	Amount

CSIC CIU CP 012D 01 14

Issue Date: 8/25/2026

DESCRIBED PREMISES SCHEDULE

Bldg #	Building Desc.	Coverage	Wind/Hail	Limit of Insurance
1	DOCK 1	Building	Included	$25,000
2	DOCK 2	Building	Included	$15,000
3	DOCK 3	Building	Included	$15,000

TruStage | CUMIS Specialty Insurance Company

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Administrative Office:
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Madison, WI 53705

CUMIS SPECIALTY INSURANCE COMPANY

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS PAGE

Policy Number: CIUHOA100191-05 **Policy Period:** 9/2/2026 **To:** 9/2/2027

Named Insured: BAY POINT TURTLEGRASS VILLAS ASSOCIATION, INC.

LIMITS OF INSURANCE

General Aggregate Limit (Other Than Products - Completed Operations)	$2,000,000
Products - Completed Operations Aggregate Limit	$2,000,000
Each Occurrence Limit	$1,000,000
Personal and Advertising Injury Limit	$1,000,000
Hired / Non-Owned Auto Limit	$1,000,000
Damages To Premises Rented to You Limit (Any One Premises)	$50,000
Medical Payments Expense Limit (Any One Person)	$5,000
Terrorism	Excluded

BUSINESS DESCRIPTION AND LOCATION OF PREMISES

Business Description: Residential Condominium

Location - See Location Schedule

ENDORSEMENTS INCLUDED

General Liability Extension Endorsement	Included

PREMIUM

Code No.	Classification Description	Premium Basis	Exposure
62003	Residential Condominium	Units	48
48925	Swimming Pool	Each	0
62000	Commercial Area	Sq. Ft.	0
10105	Boat/Dock Facility	Flat	3
46671	Playground	Flat	0
44311	Fitness Center	Flat	0

CUMIS SPECIALTY INSURANCE COMPANY

COMMERCIAL CRIME COVERAGE PART DECLARATIONS PAGE

Policy Number: CIUHOA100191-05 **Policy Period:** 9/2/2026 **To:** 9/2/2027

Named Insured: BAY POINT TURTLEGRASS VILLAS ASSOCIATION, INC.

COVERAGES, LIMITS OF INSURANCE AND DEDUCTIBLES

Insuring Agreements, Limit of Insurance and Deductible Amounts shown below are subject to all of the terms of this policy that apply.

Employee Theft		$100,000
Deductible	$1,000.00	
Forgery or Alteration		No Coverage
Deductible	N/A	
Inside and Outside The Premises- Theft of Money & Securities		No Coverage
Deductible	N/A	
Money Orders and Counterfeit Money		No Coverage
Deductible	N/A	
Funds Transfer Fraud		No Coverage
Deductible	N/A	
Computer Fraud		No Coverage
Deductible	N/A	
Employee Benefit Plan Included as Insured under Employee Theft		No Coverage
Deductible	N/A	
Include Designated Agents as Employees-Accountant or Bookkeeper-EmployeeTheft		No Coverage
Deductible	N/A	
Deception Fraud / Social Engineering		No Coverage
Deductible	N/A	

CUMIS SPECIALTY INSURANCE COMPANY

CONDOMINIMUM DIRECTORS OFFICERS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY DECLARATIONS PAGE

Policy Number: CIUHOA100191-05 **Policy Period:** 9/2/2026 **To:** 9/2/2027
Named Insured: BAY POINT TURTLEGRASS VILLAS ASSOCIATION, INC.

ITEM 1. **INSURED ORGANIZATION NAME AND PRINCIPAL ADDRESS**

BAY POINT TURTLEGRASS VILLAS ASSOCIATION, INC.
PO BOX 15234
PANAMA CITY, FL 32406

ITEM 2. **POLICY PERIOD**

FROM 9/2/2026 TO 9/2/2027 at 12:01 am

Local time at the address shown in item

ITEM 3. **LIMIT OF LIABILITY**

$ 1,000,000 **maximum aggregate limit of liability for all claims first made in the policy period. EACH CLAIM LIMIT $** 1,000,000

ITEM 4. **DEDUCTIBLE $** 1,000 **per claim**

ITEM 5. **PREMIUM $Included**

ITEM 6. **ENDORSEMENTS ATTACHED**

ITEM 7. **NOTICES**

All notices required to be given to the insurer under this policy shall be addressed to:

CUMIS Specialty Insurance Company
5910 Mineral Point Road
Madison, WI 53705

These Declarations along with the completed and signed Condominium Association Supplemental application, the Condominium Directors, Officers and Employment Practices Liability Insurance Policy and any endorsements attached shall constitute the contract between the insured and us.

POLICY FORMS DECLARATIONS

Form Number	Form Date	Form Description
CSIC 70 02	05/23	Signature Page
CSIC CIU CPP 001D	10/12	Commercial Package Policy Declarations Page
CSIC CIU CP 012D	01/14	Commercial Property Coverage Part Declarations Page
CSIC CIU GL 007D	10/12	Commercial General Liability Coverage Part Declarations Page
CSIC CIU CR 001D	01/16	Commercial Crime Coverage Part Declarations Page
CSIC CIU DO 005D	10/12	Condominium Association Directors, Officers And Employment Practices Liability Insurance Policy Declartions Page
CIU0101FL	03/08	Surplus Lines Statement
CSIC CIU IL 001	10/12	Minimum Earned Premium Endorsement
IL0003	09/08	Calculation of Premium
IL0017	11/98	Common Policy Conditions
CSIC 70 03	05/23	Service of Suit Clause
CSIC CIU IL 015	11/13	Nuclear, Biological Or Chemical Exclusion
TRIA Disclosure	09/12	Policyholder Disclosure Notice of Terrorism Insurance Coverage And Cap On Losses
CSIC CIU IL 016	11/13	Terrorism Exclusion
CSIC CIU IL 031	05/20	Cancellation And Nonrenewal Endorsement
CP0010	10/12	Building and Personal Property Coverage Form
CP1030	10/12	Causes of Loss - Special Form
CP0090	07/88	Commercial Property Conditions
CP0125	07/08	Florida Changes
IL0112	06/10	Florida Changes - Mediation or Appraisal (Commercial Residential Property)
IL0175	09/07	Florida Changes - Legal Action Against Us
CP0140	07/06	Exclusion of Loss Due to Virus or Bacteria
CSIC CIU CP 049	11/20	Communicable Disease Exclusion
CSIC CIU CP 003	10/12	Screened Enclosure Exclusion
CP1410	06/95	Additional Covered Property
IL0935	07/02	Exclusion of Certain Computer-Related Losses
CSIC CIU CP 008	10/12	Additional Property Coverage Endorsement
CP1420	07/88	Additional Property Not Covered
CSIC CIU CP 031	09/14	Florida Hurricane Percentage Deductible - Each Hurricane (Residential Risks)
CSIC 11 07	05/23	PFAs And Related Chemicals Exclusion Endorsement
CSIC CIU CP 051	08/25	Additional Property Not Covered If Damaged by Windstorm or Hail
CSIC CIU CP 046	05 26	Appraisal Loss Conditions
CSIC CIU CP 019	07/13	Special Activity Exclusion
CG0001	12/07	Commercial General Liability Coverage Form
CG0300	01/96	Deductible Liability Insurance
CG2004	11/85	Additional Insured - Condominium Unit Owners
CG0067	03/05	Exclusion - Violation of Statutes that Govern E-mails, Fax, Phone Calls or Other Methods of Sending Material or Information

CG2147	12/07	Exclusion - Employment Related Practices Exclusion
CG2165	12/04	Exclusion – Total Pollution Exclusion With A Building Heating, Cooling, And Dehumidifying Equipment Exception And A Hostile Fire Exception
CSIC CIU GL 004	08/18	General Liability Coverage Extension Endorsement - Community Association
CG2160	09/98	Exclusion - Year 2000 Computer-Related And Other Electronic Problems
CSIC CIU GL 026	02/26	Fungi or Bacteria Exclusion
CG2196	03/05	Silica or Silica Related Dust Exclusion
CSIC CIU IL 018	11/13	Nuclear, Biological or Chemical Terrorism Exclusion
CG2186	12/04	Exclusion - Exterior Insulation and Finish Systems
CSIC CIU IL 019	01/15	Terrorism Exclusion
CG2426	07/04	Amendment of Insured Contract Definition
CSIC 61 02	05/23	Exclusion - Lead Paint
CSIC 61 01	05/23	Exclusion - Asbestos
IL0021	09/08	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
CSIC 61 03	05/23	PFAs And Related Chemicals Exclusion Endorsement
CSIC CIU GL 006	10/12	Hired and Non-Owned Auto Liability
CSIC CIU GL 025	11/20	Communicable Disease Exclusion
CSIC CIU DO 001	02/18	Condominium Directors, Officers and Employment Practices Liability Insurance Policy
CSIC CIU DO 012	01/15	Property Manager Entity Coverage Endorsement
CSIC CIU DO 016	01/15	Increased Consent To Settle Clause Coverage Endorsement
CSIC CIU DO 019	02/15	Bodily Injury / Physical Damage Exclusion Endorsement
CSIC CIU DO 021	03/15	Catastrophic Event Preparedness And Response Exclusion
CSIC CIU DO 022	03/15	Failure To Obtain Or Maintain Insurance Exclusion
CSIC CIU DO 002	12/24	Continuity of Coverage Endorsement
CR0020	11/15	Commercial Crime Policy (Discovery Form)
CR2508	10/10	Include Specified Non-Compensated Officers
CR2506	10/10	Include Chairman and Member of Specified Committees
CR2502	10/10	Include Designated Agents as Employees
CR0151	08/07	Florida Changes - Legal Action Against Us

TruStage | CUMIS Specialty Insurance Company

Home Office:
2000 Heritage Way
Waverly, IA 50677

Administrative Office:
5910 Mineral Point Rd.
Madison, WI 53705

CUMIS SPECIALTY INSURANCE COMPANY

POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINIMUM EARNED PREMIUM ENDORSEMENT

This endorsement modifies insurance provided under this policy.

The minimum earned premium for this policy will be $ 2,772.50, unless we cancel the policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

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.

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COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
   a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
   b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
   a. Make inspections and surveys at any time;
   b. Give you reports on the conditions we find; and
   c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
   a. Are safe or healthful; or
   b. Comply with laws, regulations, codes or standards.
3. Paragraphs **1.** and **2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph **2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

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.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

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SERVICE OF SUIT

It is agreed that in the event of the failure of the Insurer hereon to pay any amount claimed to be due hereunder, the Insurer hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of the Insurer's rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that services of process in such suit may be made upon

CUMIS Specialty Insurance Company, Inc.
5910 Mineral Point Road
Madison, WI 53705

and that in any suit instituted against one of them upon this contract of insurance (or reinsurance), the Insurer will abide by the final decision of such Court or of any Appellate Court in the event of an appeal. The above named are authorized and directed to accept service of process on behalf of the Insurer in any such suit and / or upon the request of the Insured (or Reinsured) to give a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Insurer's behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, the Insurer hereon hereby designates the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or their successor or successors in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR, BIOLOGICAL OR CHEMICAL EXCLUSION

(EXCEPTION COVERING CERTAIN FIRE LOSSES)

This endorsement modifies insurance provided under this Policy

SCHEDULE

The Exception Covering Certain Fire Losses applies to property located in the following state(s), if covered under the indicated Policy:

State(s)
Information required to complete this Schedule, if not shown above, will be shown in the Declarations for this Policy.

In consideration of the premium charged, it is agreed that:

A. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:

a. Use or threat of force or violence; or

b. Commission or threat of a dangerous act; or

c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

2. When one or both of the following applies:

a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

B. The following exclusion is added:

Exclusion Of Terrorism

We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

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1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

C. Exception Covering Certain Fire Losses

The following exception to the Exclusion Of Terrorism applies only if indicated and as indicated in the Schedule of this endorsement.

If "terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

D. Application Of Other Exclusions

1. When the Exclusion Of Terrorism applies in accordance with the terms of **B.1.** or **B.2.,** such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form, Coverage Part or Policy.
2. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss or damage which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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Waverly, IA 50677

Administrative Office:
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Madison, WI 53705

POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE AND CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act (the "Act") effective December 26, 2007, the definition of act of terrorism has changed. Terrorism is defined as any act certified by the Secretary of the Treasury, in concurrence with the Secretary of State 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 an air carrier or vessel 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 your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Act. However, your policy may contain other exclusions which might affect your coverage, such as exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

The portion of your annual premium that is attributable to coverage for acts of terrorism is $8,916.23, and does not include any charges for the portion of losses covered by the United States government under the Act.

If your policy provides commercial property insurance in a jurisdiction that has a statutory standard fire policy, the premium shown above includes an amount attributable to the insurance provided pursuant to that statutory standard fire policy, which cannot be rejected.

That amount is $ 0.00

If aggregate insured losses attributable to terrorist acts certified under the Act exceed $100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Under the Act, you have thirty (30) days from the date of this notice to consider whether or not you wish to maintain insurance for terrorism losses covered by the Act.

If you elect not to maintain this insurance, please so indicate by placing an "X" in the space provided on the next page, sign and return this disclosure notice to your agent or broker as soon as possible. By electing not to maintain this insurance, you agree that we may attach a terrorism exclusion or sublimits to your policy. If you do not sign and return this disclosure notice, you will be deemed to have decided to maintain this insurance, subject to the next paragraph.

If you elect to maintain this insurance, you must pay the premium disclosed above, otherwise we will avail ourselves of our normal remedies for nonpayment of premium, including cancellation of your policy in accordance with its terms.

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REJECTION OF FEDERAL TERRORISM INSURANCE COVERAGE

☐ I hereby **elect** to purchase the federal terrorism insurance coverage for the premium of $ 280.27

☒ I hereby **reject** this offer of the federal terrorism insurance coverage and elect to have a terrorism exclusion, sublimit or other limitation included in my policy. I understand that I will have no, or limited, coverage for losses arising from acts of terrorism under my policy.

	CIUHOA100191-05
Applicant/Named Insured Signature or Authorized Signature	Policy Number
Title	Date

BY RECEIPT OF THIS NOTICE YOU HAVE BEEN NOTIFIED, UNDER THE ACT THAT COVERAGE UNDER THIS POLICY FOR ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT AND MAY BE SUBJECT TO A $100 BILLION CAP THAT MAY REDUCE YOUR COVERAGE. YOU HAVE ALSO BEEN NOTIFIED OF THE PORTION OF YOUR PREMIUM ATTRIBUTABLE TO SUCH COVERAGE.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TERRORISM EXCLUSION

(EXCEPTION COVERING CERTAIN FIRE LOSSES)

This endorsement modifies insurance provided under this Policy

SCHEDULE

The Exception Covering Certain Fire Losses applies to property located in the following state(s), if covered under the indicated Policy:

~~**State(s)**~~
Information required to complete this Schedule, if not shown above, will be shown in the Declarations for this Policy.

In consideration of the premium charged, it is agreed that:

A. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:

a. Use or threat of force or violence; or

b. Commission or threat of a dangerous act; or

c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

2. When one or both of the following applies:

a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

B. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

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2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or

3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or

5. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds $25,000,000. In determining whether the $25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold is exceeded.

   With respect to this item **B.5.,** the immediately preceding paragraph describes the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form, Coverage Part or Policy.

C. Exception Covering Certain Fire Losses

The following exception to the Exclusion Of Terrorism applies only if indicated and as indicated in the Schedule of this endorsement.

If "terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

D. Application Of Other Exclusions

1. When the Exclusion Of Terrorism applies in accordance with the terms of **B.1.** or **B.2.,** such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form, Coverage Part or Policy.

2. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss or damage which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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TruStage | CUMIS Specialty Insurance Company

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CUMIS SPECIALTY INSURANCE COMPANY

POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION AND NONRENEWAL ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUSINESS INCOME COVERAGE FORM – WITH EXTRA EXPENSE
BUSINESS INCOME COVERAGE FORM – WITHOUT EXTRA EXPENSE
COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL GENERAL LIABILITY COVERAGE FORM
COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM DIRECTORS, OFFICERS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY
DIFFERENCE IN CONDITIONS COVERAGE FORM
DIFFERENCE IN CONDITIONS COVERAGE FORM – NAMED PERILS
HOMEOWNERS ASSOCIATIONS DIRECTORS, OFFICERS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY
LIQUOR LIABILITY COVERAGE FORM
ENVIRONMENTAL INSURANCE POLICY

A. Paragraph **2.** Of the **Cancellation** Common Policy Condition is replaced by the following:

2. Cancellation Of Policies In Effect

a. For 90 Days Or Less

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:

(a) A material misstatement or misrepresentation; or

(b) A failure to comply with the underwriting requirements established by the insurer.

b. For More Than 90 Days

If this policy has been in effect for more than 90 days, we may cancel this policy only for one or more of the following reasons:

(1) Nonpayment of premium

(2) The policy was obtained by a material misstatement;

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(3) Failure to comply with underwriting requirements established by the insurer within 90 days of the effective date of coverage;

(4) A substantial change in the risk covered by the policy; or

(5) The cancellation is for all insureds under such policies for a given class of insureds.

(6) On the basis of property insurance claims that are the result of an act of God, if we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;

(7) On the basis of filing of claims for partial loss caused by sinkhole damage, or on the basis of the risk associated with the occurrence of such a claim, if:

(a) The total of such property insurance claim payments for this policy exceeds the current policy limits of coverage for property damage; or

(b) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based; or

(8) On the basis of a single property insurance claim which is the result of water damage, if we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

If we cancel this policy for any of these reasons, we will mail or deliver to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

(a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(b) 45 days before the effective date of cancellation if we cancel for any of the other reasons stated in Paragraph **2.b.**

B. Paragraph **3.** Of the **Cancellation** Common Policy Condition is replaced by the following:

3. We will mail or deliver our notice to the first Named Insured at the last mailing address known to us.

C. Paragraph **5.** Of the **Cancellation** Common Policy Condition is replaced by the following:

5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata.

If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect, unless this is an audit policy.

If this is an audit policy, then, subject to your full cooperation with us or our agent in securing the necessary data for audit, we will return any premium refund due within 90 days of the date cancellation takes effect. If our audit is not completed within this time limitation, then we shall accept your own audit, and any premium refund due shall be mailed within 10 working days of receipt of your audit.

The cancellation will be effective even if we have not made or offered a refund.

D. The following is added and supersedes any other provision to the contrary:

Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the reason for nonrenewal, at least 45 days prior to the expiration of this policy.

2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **H.** Definitions.

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.,** and limited in **A.2.** Property Not Covered, if a Limit Of Insurance is shown in the Declarations for that type of property.

a. Building, meaning the building or structure described in the Declarations, including:

(1) Completed additions;

(2) Fixtures, including outdoor fixtures;

(3) Permanently installed:

(a) Machinery; and

(b) Equipment;

(4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:

(a) Fire-extinguishing equipment;

(b) Outdoor furniture;

(c) Floor coverings; and

(d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;

(5) If not covered by other insurance:

(a) Additions under construction, alterations and repairs to the building or structure;

(b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. Your Business Personal Property consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater:

(1) Furniture and fixtures;

(2) Machinery and equipment;

(3) "Stock";

(4) All other personal property owned by you and used in your business;

(5) Labor, materials or services furnished or arranged by you on personal property of others;

(6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:

(a) Made a part of the building or structure you occupy but do not own; and

(b) You acquired or made at your expense but cannot legally remove;

(7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

c. Personal Property Of Others that is:

(1) In your care, custody or control; and

(2) Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

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However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;

b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;

c. Automobiles held for sale;

d. Bridges, roadways, walks, patios or other paved surfaces;

e. Contraband, or property in the course of illegal transportation or trade;

f. The cost of excavations, grading, backfilling or filling;

g. Foundations of buildings, structures, machinery or boilers if their foundations are below:

(1) The lowest basement floor; or

(2) The surface of the ground, if there is no basement;

h. Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetated roof);

i. Personal property while airborne or waterborne;

j. Bulkheads, pilings, piers, wharves or docks;

k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;

l. Retaining walls that are not part of a building;

m. Underground pipes, flues or drains;

n. Electronic data, except as provided under the Additional Coverage, Electronic Data. 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. This paragraph, **n.,** does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system;

o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;

p. Vehicles or self-propelled machines (including aircraft or watercraft) that:

(1) Are licensed for use on public roads; or

(2) Are operated principally away from the described premises.

This paragraph does not apply to:

(a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;

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(b) Vehicles or self-propelled machines, other than autos, you hold for sale;

(c) Rowboats or canoes out of water at the described premises; or

(d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or

q. The following property while outside of buildings:

(1) Grain, hay, straw or other crops;

(2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

See applicable Causes Of Loss form as shown in the Declarations.

4. Additional Coverages

a. Debris Removal

(1) Subject to Paragraphs **(2)**, **(3)** and **(4),** we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

(2) Debris Removal does not apply to costs to:

(a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;

(b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;

(c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;

(d) Remove property of others of a type that would not be Covered Property under this Coverage Form;

(e) Remove deposits of mud or earth from the grounds of the described premises;

(f) Extract "pollutants" from land or water; or

(g) Remove, restore or replace polluted land or water.

(3) Subject to the exceptions in Paragraph **(4),** the following provisions apply:

(a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.

(b) Subject to **(a)** above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is $5,000 at each location.

(4) We will pay up to an additional $25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

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Therefore, if **(4)(a)** and/or **(4)(b)** applies, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus $25,000.

(5) Examples

The following examples assume that there is no Coinsurance penalty.

Example 1

Limit of Insurance:	$ 90,000
Amount of Deductible:	$ 500
Amount of Loss:	$ 50,000
Amount of Loss Payable:	$ 49,500
	($50,000 – $500)
Debris Removal Expense:	$ 10,000
Debris Removal Expense Payable:	$ 10,000

($10,000 is 20% of $50,000.)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense ($49,500 + $10,000 = $59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph **(3).**

Example 2

Limit of Insurance:	$ 90,000
Amount of Deductible:	$ 500
Amount of Loss:	$ 80,000
Amount of Loss Payable:	$ 79,500
	($80,000 – $500)
Debris Removal Expense:	$ 40,000
Debris Removal Expense Payable	
Basic Amount:	$ 10,500
Additional Amount:	$ 25,000

The basic amount payable for debris removal expense under the terms of Paragraph **(3)** is calculated as follows: $80,000 ($79,500 + $500) x .25 = $20,000, capped at $10,500. The cap applies because the sum of the loss payable ($79,500) and the basic amount payable for debris removal expense ($10,500) cannot exceed the Limit of Insurance ($90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph **(4),** because the debris removal expense ($40,000) exceeds 25% of the loss payable plus the deductible ($40,000 is 50% of $80,000), and because the sum of the loss payable and debris removal expense ($79,500 + $40,000 = $119,500) would exceed the Limit of Insurance ($90,000). The additional amount of covered debris removal expense is $25,000, the maximum payable under Paragraph **(4).** Thus, the total payable for debris removal expense in this example is $35,500; $4,500 of the debris removal expense is not covered.

b. Preservation Of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

(1) While it is being moved or while temporarily stored at another location; and

(2) Only if the loss or damage occurs within 30 days after the property is first moved.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to $1,000 for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

(1) Assumed by contract or agreement prior to loss; or

(2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

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d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is $10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

e. Increased Cost Of Construction

(1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.

(2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in **e.(3)** through **e.(9)** of this Additional Coverage.

(3) The ordinance or law referred to in **e.(2)** of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises and is in force at the time of loss.

(4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:

(a) You were required to comply with before the loss, even when the building was undamaged; and

(b) You failed to comply with.

(5) Under this Additional Coverage, we will not pay for:

(a) The enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or

(b) Any costs associated with the enforcement of or compliance with an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

(6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is $10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of $10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.

(7) With respect to this Additional Coverage:

(a) We will not pay for the Increased Cost of Construction:

(i) Until the property is actually repaired or replaced at the same or another premises; and

(ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

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(b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the same premises.

(c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the new premises.

(8) This Additional Coverage is 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.

(9) The costs addressed in the Loss Payment and Valuation Conditions and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of or compliance with an ordinance or law. The amount payable under this Additional Coverage, as stated in **e.(6)** of this Additional Coverage, is not subject to such limitation.

f. Electronic Data

(1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data. This Additional Coverage does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

(2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.

(3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, Electronic Data, subject to the following:

(a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Electronic Data, is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.

(b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.

(c) If the Causes Of Loss form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Electronic Data.

(d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

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(4) The most we will pay under this Additional Coverage, Electronic Data, is $2,500 (unless a higher limit is shown in the Declarations) for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more, or a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

(a) Your new buildings while being built on the described premises; and

(b) Buildings you acquire at locations, other than the described premises, intended for:

(i) Similar use as the building described in the Declarations; or

(ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is $250,000 at each building.

(2) Your Business Personal Property

(a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

(i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or

(ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations.

The most we will pay for loss or damage under this Extension is $100,000 at each building.

(b) This Extension does not apply to:

(i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

(ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

(c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

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b. Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

(1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.

(2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is $2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers And Records (Other Than Electronic Data)

(1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.

(2) If the Causes Of Loss – Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form and Collapse as set forth in that form.

(3) If the Causes Of Loss – Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.

(4) Under this Extension, the most we will pay to replace or restore the lost information is $2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and, therefore, coverage of such costs is not additional insurance.

d. Property Off-premises

(1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:

(a) Temporarily at a location you do not own, lease or operate;

(b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or

(c) At any fair, trade show or exhibition.

(2) This Extension does not apply to property:

(a) In or on a vehicle; or

(b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.

(3) The most we will pay for loss or damage under this Extension is $10,000.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

(1) Fire;

(2) Lightning;

(3) Explosion;

(4) Riot or Civil Commotion; or

(5) Aircraft.

The most we will pay for loss or damage under this Extension is $1,000, but not more than $250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

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Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

f. Non-owned Detached Trailers

(1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

(a) The trailer is used in your business;

(b) The trailer is in your care, custody or control at the premises described in the Declarations; and

(c) You have a contractual responsibility to pay for loss or damage to the trailer.

(2) We will not pay for any loss or damage that occurs:

(a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;

(b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

(3) The most we will pay for loss or damage under this Extension is $5,000, unless a higher limit is shown in the Declarations.

(4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

g. Business Personal Property Temporarily In Portable Storage Units

(1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the building or structure described in the Declarations or within 100 feet of the premises described in the Declarations, whichever distance is greater.

(2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.

(3) Coverage under this Extension:

(a) Will end 90 days after the business personal property has been placed in the storage unit;

(b) 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 as of the time of loss or damage.

(4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is $10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.

(5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

B. Exclusions And Limitations

See applicable Causes Of Loss form as shown in the Declarations.

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is $2,500 per sign in any one occurrence.

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The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;

2. Pollutant Clean-up And Removal;

3. Increased Cost Of Construction; and

4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

D. Deductible

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

Example 1

(This example assumes there is no Coinsurance penalty.)

Deductible:	$ 250
Limit of Insurance – Building 1:	$ 60,000
Limit of Insurance – Building 2:	$ 80,000
Loss to Building 1:	$ 60,100
Loss to Building 2:	$ 90,000

The amount of loss to Building 1 ($60,100) is less than the sum ($60,250) of the Limit of Insurance applicable to Building 1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building 1:

$ 60,100
– 250
$ 59,850 Loss Payable – Building 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building 2. Loss payable for Building 2 is the Limit of Insurance of $80,000.

Total amount of loss payable:

$59,850 + $80,000 = $139,850

Example 2

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example 1.

Loss to Building 1:	$ 70,000
(Exceeds Limit of Insurance plus Deductible)	
Loss to Building 2:	$ 90,000
(Exceeds Limit of Insurance plus Deductible)	
Loss Payable – Building 1:	$ 60,000
(Limit of Insurance)	
Loss Payable – Building 2:	$ 80,000
(Limit of Insurance)	
Total amount of loss payable:	$ 140,000

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

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. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

a. Pay its chosen appraiser; and

b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

3. Duties In The Event Of Loss Or Damage

a. You must see that the following are done in the event of loss or damage to Covered Property:

(1) Notify the police if a law may have been broken.

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(2) Give us prompt notice of the loss or damage. Include a description of the property involved.

(3) As soon as possible, give us a description of how, when and where the loss or damage occurred.

(4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

(5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.

(6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also, permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

(7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

(8) Cooperate with us in the investigation or settlement of the claim.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:

(1) Pay the value of lost or damaged property;

(2) Pay the cost of repairing or replacing the lost or damaged property, subject to **b.** below;

(3) Take all or any part of the property at an agreed or appraised value; or

(4) Repair, rebuild or replace the property with other property of like kind and quality, subject to **b.** below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.

b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

d. We will not pay you more than your financial interest in the Covered Property.

e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part, and:

(1) We have reached agreement with you on the amount of loss; or

(2) An appraisal award has been made.

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h. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

6. Vacancy

a. Description Of Terms

(1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in **(1)(a)** and **(1)(b)** below:

(a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

(b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

(i) Rented to a lessee or sublessee and used by the lessee or sublessee to conduct its customary operations; and/or

(ii) Used by the building owner to conduct customary operations.

(2) Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

(1) We will not pay for any loss or damage caused by any of the following, even if they are Covered Causes of Loss:

(a) Vandalism;

(b) Sprinkler leakage, unless you have protected the system against freezing;

(c) Building glass breakage;

(d) Water damage;

(e) Theft; or

(f) Attempted theft.

(2) With respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

a. At actual cash value as of the time of loss or damage, except as provided in **b., c., d.** and **e.** below.

b. If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is $2,500 or less, we will pay the cost of building repairs or replacement.

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The cost of building repairs or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value, even when attached to the building:

(1) Awnings or floor coverings;

(2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or

(3) Outdoor equipment or furniture.

c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

d. Glass at the cost of replacement with safety-glazing material if required by law.

e. Tenants' Improvements and Betterments at:

(1) Actual cash value of the lost or damaged property if you make repairs promptly.

(2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:

(a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

(b) Divide the amount determined in **(a)** above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

(3) Nothing if others pay for repairs or replacement.

F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

(1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;

(2) Divide the Limit of Insurance of the property by the figure determined in Step **(1);**

(3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step **(2);** and

(4) Subtract the deductible from the figure determined in Step **(3).**

We will pay the amount determined in Step **(4)** or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

Example 1 (Underinsurance)

When:	The value of the property is:	$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	$ 100,000
	The Deductible is:	$ 250
	The amount of loss is:	$ 40,000

Step **(1):** $250,000 x 80% = $200,000
(the minimum amount of insurance to meet your Coinsurance requirements)

Step **(2):** $100,000 ÷ $200,000 = .50

Step **(3):** $40,000 x .50 = $20,000

Step **(4):** $20,000 – $250 = $19,750

We will pay no more than $19,750. The remaining $20,250 is not covered.

Example 2 (Adequate Insurance)

When:	The value of the property is:	$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	$ 200,000
	The Deductible is:	$ 250
	The amount of loss is:	$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is $200,000 ($250,000 x 80%). Therefore, the Limit of Insurance in this example is adequate, and no penalty applies. We will pay no more than $39,750 ($40,000 amount of loss minus the deductible of $250).

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b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

Example 3

When:	The value of the property is:	
	Building at Location 1:	$ 75,000
	Building at Location 2:	$ 100,000
	Personal Property at Location 2:	$ 75,000
		$ 250,000
	The Coinsurance percentage for it is:	90%
	The Limit of Insurance for Buildings and Personal Property at Locations 1 and 2 is:	$ 180,000
	The Deductible is:	$ 1,000
	The amount of loss is:	
	Building at Location 2:	$ 30,000
	Personal Property at Location 2:	$ 20,000
		$ 50,000

Step **(1):** $250,000 x 90% = $225,000
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step **(2):** $180,000 ÷ $225,000 = .80

Step **(3):** $50,000 x .80 = $40,000

Step **(4):** $40,000 – $1,000 = $39,000

We will pay no more than $39,000. The remaining $11,000 is not covered.

2. Mortgageholders

a. The term mortgageholder includes trustee.

b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.

c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.

d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

(1) Pays any premium due under this Coverage Part at our request if you have failed to do so;

(2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and

(3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

(1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

(2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

f. If we cancel this policy, we will give written notice to the mortgageholder at least:

(1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item:

1. Agreed Value

a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.

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b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.

c. The terms of this Optional Coverage apply only to loss or damage that occurs:

(1) On or after the effective date of this Optional Coverage; and

(2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.

b. The amount of increase will be:

(1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times

(2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times

(3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example

If:	The applicable Limit of Insurance is:	$ 100,000
	The annual percentage increase is:	8%
	The number of days since the beginning of the policy year (or last policy change) is:	146
	The amount of increase is: $100,000 x .08 x 146 ÷ 365 =	$ 3,200

3. Replacement Cost

a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.

b. This Optional Coverage does not apply to:

(1) Personal property of others;

(2) Contents of a residence;

(3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

(4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.

d. 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 repair or replacement is made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

(3) If the conditions in **d.(1)** and **d.(2)** above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and

(4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.

e. We will not pay more for loss or damage on a replacement cost basis than the least of **(1), (2)** or **(3),** subject to **f.** below:

(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:

(a) Of comparable material and quality; and

(b) Used for the same purpose; or

(3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in **e.(2)** above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

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f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

4. Extension Of Replacement Cost To Personal Property Of Others

a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph **3.b.(1)** of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

H. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

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CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section **G.** Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this policy.

B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

(1) Regulating the construction, use or repair of any property; or

(2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

(a) An ordinance or law that is enforced even if the property has not been damaged; or

(b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

(1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;

(2) Landslide, including any earth sinking, rising or shifting related to such event;

(3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

(4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in **b.(1)** through **(4)** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

(5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

(a) Airborne volcanic blast or airborne shock waves;

(b) Ash, dust or particulate matter; or

(c) Lava flow.

With respect to coverage for Volcanic Action as set forth in **(5)(a), (5)(b)** and **(5)(c),** all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5),** is caused by an act of nature or is otherwise caused.

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c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

(1) Originates away from the described premises; or

(2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

f. War And Military Action

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

(1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

(2) Mudslide or mudflow;

(3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

(4) Water under the ground surface pressing on, or flowing or seeping through:

(a) Foundations, walls, floors or paved surfaces;

(b) Basements, whether paved or not; or

(c) Doors, windows or other openings; or

(5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **(1), (3)** or **(4),** or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5),** is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs **(1)** through **(5),** results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

h. "Fungus", Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria result in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

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This exclusion does not apply:

(1) When "fungus", wet or dry rot or bacteria result from fire or lightning; or

(2) To the extent that coverage is provided in the Additional Coverage, Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria, with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions **B.1.a.** through **B.1.h.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

(1) Electrical or electronic wire, device, appliance, system or network; or

(2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

(a) Electrical current, including arcing;

(b) Electrical charge produced or conducted by a magnetic or electromagnetic field;

(c) Pulse of electromagnetic energy; or

(d) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

b. Delay, loss of use or loss of market.

c. Smoke, vapor or gas from agricultural smudging or industrial operations.

d.(1) Wear and tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

(5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.

(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

(7) The following causes of loss to personal property:

(a) Dampness or dryness of atmosphere;

(b) Changes in or extremes of temperature; or

(c) Marring or scratching.

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

(1) You do your best to maintain heat in the building or structure; or

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(2) You drain the equipment and shut off the supply if the heat is not maintained.

h. Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or 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:

(1) Applies whether or not an act occurs during your normal hours of operation;

(2) Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.

i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

j. Rain, snow, ice or sleet to personal property in the open.

k. Collapse, including any of the following conditions of property or any part of the property:

(1) An abrupt falling down or caving in;

(2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or

(3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to **(1)** or **(2)** above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion, **k.,** does not apply:

(a) To the extent that coverage is provided under the Additional Coverage, Collapse; or

(b) To collapse caused by one or more of the following:

(i) The "specified causes of loss";

(ii) Breakage of building glass;

(iii) Weight of rain that collects on a roof; or

(iv) Weight of people or personal property.

l. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion, **l.,** does not apply to damage to glass caused by chemicals applied to the glass.

m. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

3. We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.** But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph **1.** above to produce the loss or damage.

b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

c. Faulty, inadequate or defective:

(1) Planning, zoning, development, surveying, siting;

(2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) Materials used in repair, construction, renovation or remodeling; or

(4) Maintenance;

of part or all of any property on or off the described premises.

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4. Special Exclusions

The following provisions apply only to the specified Coverage Forms:

a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form

We will not pay for:

(1) Any loss caused by or resulting from:

(a) Damage or destruction of "finished stock"; or

(b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.

(2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.

(3) Any increase of loss caused by or resulting from:

(a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or

(b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.

(4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

(5) Any other consequential loss.

b. Leasehold Interest Coverage Form

(1) Paragraph **B.1.a.,** Ordinance Or Law, does not apply to insurance under this Coverage Form.

(2) We will not pay for any loss caused by:

(a) Your cancelling the lease;

(b) The suspension, lapse or cancellation of any license; or

(c) Any other consequential loss.

c. Legal Liability Coverage Form

(1) The following exclusions do not apply to insurance under this Coverage Form:

(a) Paragraph **B.1.a.** Ordinance Or Law;

(b) Paragraph **B.1.c.** Governmental Action;

(c) Paragraph **B.1.d.** Nuclear Hazard;

(d) Paragraph **B.1.e.** Utility Services; and

(e) Paragraph **B.1.f.** War And Military Action.

(2) The following additional exclusions apply to insurance under this Coverage Form:

(a) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

(i) Your assumption of liability was executed prior to the accident; and

(ii) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

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5. Additional Exclusion

The following provisions apply only to the specified property:

Loss Or Damage To Products

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. Limitations

The following limitations apply to all policy forms and endorsements, unless otherwise stated:

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.

a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.

c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

(1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or

(2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

(1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or

(2) Business Income Coverage or Extra Expense Coverage.

e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.

g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:

(1) Dampness or dryness of atmosphere or of soil supporting the vegetation;

(2) Changes in or extremes of temperature;

(3) Disease;

(4) Frost or hail; or

(5) Rain, snow, ice or sleet.

2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

a. Animals, and then only if they are killed or their destruction is made necessary.

b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:

(1) Glass; or

(2) Containers of property held for sale.

c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

(1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

(2) To Business Income Coverage or to Extra Expense Coverage.

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3. The special limit shown for each category, **a.** through **d.,** is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):

   a. $2,500 for furs, fur garments and garments trimmed with fur.

   b. $2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth $100 or less per item.

   c. $2,500 for patterns, dies, molds and forms.

   d. $250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

   These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

   This limitation, **C.3.,** does not apply to Business Income Coverage or to Extra Expense Coverage.

4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. 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.

   However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

D. Additional Coverage – Collapse

The coverage provided under this Additional Coverage, Collapse, applies only to an abrupt collapse as described and limited in **D.1.** through **D.7.**

1. For the purpose of this Additional Coverage, Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

   a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;

   b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;

   c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.

   d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:

      (1) A cause of loss listed in **2.a.** or **2.b.;**

      (2) One or more of the "specified causes of loss";

      (3) Breakage of building glass;

      (4) Weight of people or personal property; or

      (5) Weight of rain that collects on a roof.

3. This **Additional Coverage – Collapse** does **not** apply to:

   a. A building or any part of a building that is in danger of falling down or caving in;

   b. A part of a building that is standing, even if it has separated from another part of the building; or

   c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:

   a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

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b. Awnings, gutters and downspouts;

c. Yard fixtures;

d. Outdoor swimming pools;

e. Fences;

f. Piers, wharves and docks;

g. Beach or diving platforms or appurtenances;

h. Retaining walls; and

i. Walks, roadways and other paved surfaces;

if an abrupt collapse is caused by a cause of loss listed in **2.a.** through **2.d.,** we will pay for loss or damage to that property only if:

(1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and

(2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:

a. The collapse of personal property was caused by a cause of loss listed in **2.a.** through **2.d.;**

b. The personal property which collapses is inside a building; and

c. The property which collapses is not of a kind listed in **4.,** regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **5.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

6. This Additional Coverage, Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

7. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.

8. The term Covered Cause of Loss includes the Additional Coverage, Collapse, as described and limited in **D.1.** through **D.7.**

E. Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

1. The coverage described in **E.2.** and **E.6.** only applies when the "fungus", wet or dry rot or bacteria are the result of one or more of the following causes that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

a. A "specified cause of loss" other than fire or lightning; or

b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;

b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and

c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under **E.2.** of this Limited Coverage is limited to $15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of $15,000 even if the "fungus", wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.

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4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria cause an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph **F.2.** (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.

6. The following, **6.a.** or **6.b.,** applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:

a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit

This Extension applies only to your personal property to which this form applies.

a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

b. Loss or damage must be caused by or result from one of the following causes of loss:

(1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.

(2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.

(3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

c. The most we will pay for loss or damage under this Extension is $5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

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

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.

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b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension **F.3.** does not increase the Limit of Insurance.

G. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

2. "Specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire-extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

(1) The cost of filling sinkholes; or

(2) Sinking or collapse of land into man-made underground cavities.

b. Falling objects does not include loss or damage to:

(1) Personal property in the open; or

(2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

c. Water damage means:

(1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and

(2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the described premises and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **c.(1)** or **c.(2)** of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

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COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;

2. The Covered Property;

3. Your interest in the Covered Property; or

4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and

2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.

2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:

a. During the policy period shown in the Declarations; and

b. Within the coverage territory.

2. The coverage territory is:

a. The United States of America (including its territories and possessions);

b. Puerto Rico; and

c. Canada.

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I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.

2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:

a. Someone insured by this insurance;

b. A business firm:

(1) Owned or controlled by you; or

(2) That owns or controls you; or

c. Your tenant.

This will not restrict your insurance.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. When this endorsement is attached to the Standard Property Policy **CP 00 99,** the term Coverage Part in this endorsement is replaced by the term Policy.

B. The following provision applies when a Coinsurance percentage is shown in the Declarations:

Florida law states as follows:

Coinsurance contract: The rate charged in this policy is based upon the use of the coinsurance clause attached to this policy, with the consent of the Insured.

C. The following is added:

If windstorm is a Covered Cause of Loss and loss or damage to Covered Property is caused by or results from windstorm, the following exclusion applies in:

1. Broward County;

2. Dade County;

3. Martin County;

4. Monroe County;

5. Palm Beach County; and

6. All the areas east of the west bank of the Intra-Coastal Waterway in the Counties of:

a. Indian River; and

b. St. Lucie.

WINDSTORM EXTERIOR PAINT AND WATERPROOFING EXCLUSION

We will not pay for loss or damage caused by windstorm to:

1. Paint; or

2. Waterproofing material;

applied to the exterior of Buildings unless the Building to which such loss or damage occurs also sustains other loss or damage by windstorm in the course of the same storm event. But such coverage applies only if windstorm is a Covered Cause of Loss.

When loss or damage to exterior paint or waterproofing material is excluded, we will not include the value of paint or waterproofing material to determine:

a. The amount of the Windstorm or Hail Deductible; or

b. The value of Covered Property when applying the Coinsurance Condition.

D. The **Loss Payment** Condition dealing with the number of days within which we must pay for covered loss or damage is replaced by the following:

Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage upon the earliest of the following:

(1) Within 20 days after we receive the sworn proof of loss and reach written agreement with you;

(2) Within 30 days after we receive the sworn proof of loss and:

(a) There is an entry of a final judgment; or

(b) There is a filing of an appraisal award with us; or

(3) Within 90 days of receiving notice of claim, unless we deny the claim during that time or factors beyond our control reasonably prevent such payment. If a portion of the claim is denied, then the 90-day time period for payment of claim relates to the portion of the claim that is not denied.

Paragraph **(3)** applies only to the following:

(a) A claim under a policy covering residential property;

(b) A claim for building or contents coverage if the insured structure is 10,000 square feet or less and the policy covers only locations in Florida; or

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(c) A claim for contents coverage under a tenant's policy if the rented premises are 10,000 square feet or less and the policy covers only locations in Florida.

E. Sinkhole Collapse Coverage Removed

Sinkhole Collapse coverage is removed as indicated in Paragraphs **E.1.** through **E.4.;** and coverage for Catastrophic Ground Cover Collapse is added instead as set forth in Paragraph **F.**

1. In the Causes of Loss – Basic Form and in the Standard Property Policy, Sinkhole Collapse is deleted from the Covered Causes of Loss and sinkhole collapse is no longer an exception to the Earth Movement exclusion.

2. In the Causes of Loss – Broad Form, Sinkhole Collapse is deleted from the Covered Causes of Loss and from the Additional Coverage – Collapse; and sinkhole collapse is no longer an exception to the Earth Movement exclusion.

3. In the Causes of Loss – Special Form, sinkhole collapse is deleted from the "specified causes of loss" and is no longer an exception to the Earth Movement exclusion.

4. In the Mortgageholders Errors And Omissions Coverage Form, sinkhole collapse is deleted from the Covered Causes of Loss under Coverage **B** and from the "specified causes of loss", and is no longer an exception to the Earth Movement exclusion.

Further, this Coverage Part does not insure against Sinkhole Loss as defined in Florida law unless an endorsement for Sinkhole Loss is made part of this policy. However, if Sinkhole Loss causes Catastrophic Ground Cover Collapse, coverage is provided for the resulting Catastrophic Ground Cover Collapse even if an endorsement for Sinkhole Loss is not made part of this policy.

F. The following is added to this Coverage Part as a Covered Cause Of Loss. In the Causes Of Loss – Special Form and Mortgageholders Errors And Omissions Coverage Form, the following is also added as a "specified cause of loss". However, as a "specified cause of loss", the following does not apply to the Additional Coverage – Collapse.

CATASTROPHIC GROUND COVER COLLAPSE

We will pay for direct physical loss or damage to Covered Property caused by or resulting from catastrophic ground cover collapse, meaning geological activity that results in all of the following:

(a) The abrupt collapse of the ground cover;

(b) A depression in the ground cover clearly visible to the naked eye;

(c) Structural damage to the building, including the foundation; and

(d) The insured structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.

However, structural damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute loss or damage resulting from a catastrophic ground cover collapse.

The Earth Movement exclusion and the Collapse exclusion do not apply to coverage for Catastrophic Ground Cover Collapse.

Coverage for Catastrophic Ground Cover Collapse does not increase the applicable Limit of Insurance. Regardless of whether loss or damage attributable to catastrophic ground cover collapse also qualifies as Sinkhole Loss or Earthquake (if either or both of those causes of loss are covered under this Coverage Part), only one Limit of Insurance will apply to such loss or damage.

G. The following applies to the **Additional Coverage – Civil Authority** under the Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form and Extra Expense Coverage Form:

1. The Additional Coverage – Civil Authority includes a requirement that the described premises are not more than one mile from the damaged property. With respect to described premises located in Florida, such one-mile radius does not apply.

2. The Additional Coverage – Civil Authority is limited to a coverage period of up to four weeks. With respect to described premises located in Florida, such four week period is replaced by a three-week period.

3. Civil Authority coverage is subject to all other provisions of that Additional Coverage.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – MEDIATION OR APPRAISAL (COMMERCIAL RESIDENTIAL PROPERTY)

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM (COMMERCIAL PROPERTY COVERAGE PART)
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM
STANDARD PROPERTY POLICY

With respect to a loss to commercial residential property, the following replaces the **Appraisal** Condition:

Mediation Or Appraisal

If we and you:

A. Are engaged in a dispute regarding a claim, either may request a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss amount must be $500 or more, prior to application of the deductible; or there must be a difference of $500 or more between the loss settlement amount we offer and the loss settlement amount that you request. The settlement in the course of mediation is binding only if both parties agree, in writing, on a settlement, and you have not rescinded the settlement within three business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting the mediation conference. However, if:

1. You fail to appear at the mediation conference and you wish to schedule a new conference after failing to appear, then the new conference will be scheduled only upon your payment of a sum equal to the fees we paid for the mediation conference at which you failed to appear. This sum will then be applied to the cost of the rescheduled mediation conference, and we will pay the balance, if any, of the cost of conducting the rescheduled mediation conference; or

2. We fail to appear at a mediation conference without good cause, we will pay your actual cash expenses you incur in attending the mediation conference and also pay the total cost of the rescheduled mediation conference.

B. Disagree on the value of the property or the amount of loss, either may request an appraisal of the loss, in writing. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and

2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

However, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us for failure to pay the loss, if we:

1. Requested mediation and either party rejected the mediation result; or

2. Failed to notify you of your right to participate in the mediation program.

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FLORIDA CHANGES – LEGAL ACTION AGAINST US

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART

The following replaces the second paragraph of the **Legal Action Against Us** Condition:

LEGAL ACTION AGAINST US

Legal action against us involving direct physical loss or damage to property must be brought within 5 years from the date the loss occurs.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.

B. We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.

C. With respect to any loss or damage subject to the exclusion in Paragraph **B.,** such exclusion supersedes any exclusion relating to "pollutants".

D. The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:

1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and

2. Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.

E. The terms of the exclusion in Paragraph **B.,** or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

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TruStage | CUMIS Specialty Insurance Company

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Administrative Office:
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CUMIS SPECIALTY INSURANCE COMPANY

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COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

CONDOMINIUM ASSOCIATION COVERAGE FORM
BUILDING AND PERSONAL PROPERTY COVERAGE FORM

In consideration of the premium charged, it is agreed that:

A. The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.

B. We will not pay for any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a “Communicable Disease” or the fear or threat (whether actual or perceived) of a “Communicable Disease” regardless of any other cause or event contributing concurrently or in any other sequence thereto.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.

C. For the purposes of this endorsement only, “Communicable Disease” means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

D. With respect to any loss or damage subject to the exclusion in Paragraph **B.,** such exclusion supersedes any exclusion relating to "pollutants".

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CUMIS SPECIALTY INSURANCE COMPANY

E. The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:

1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and

2. Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.

F. The terms of the exclusion in Paragraph **B.,** or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

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CUMIS SPECIALTY INSURANCE COMPANY

POLICY NUMBER: CIUHOA100191-05

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SCREENED ENCLOSURE EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

1. **SECTION A - COVERAGE, 2. Property Not Covered** is amended to add the following:

r. Aluminum framed, screened swimming pool enclosures for the peril of "Named Storm".

2. The following is added under **SECTION H - DEFINITIONS:**

4. A "Named Storm" is a storm system that has been identified as a tropical storm or hurricane and assigned a name by the National Hurricane Center or the Central Pacific Hurricane Center of the National Weather Service (hereafter referred to as NHC and CPHC). Under the terms of this endorsement, a "Named Storm" begins at the time a Watch or Warning is issued by the NHC or CPHC for the area in which the affected premises are located and ends 72 hours after the termination of the last Watch or Warning issued for that area by the NHC or CPHC.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL COVERED PROPERTY

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY

The following is withdrawn from PROPERTY NOT COVERED and added to COVERED PROPERTY:

SCHEDULE*

Prem. No.	Bldg. No.	Paragraph Reference	Description of Property	Type of Property Coverage (Enter BUILDING or PERSONAL PROPERTY)
1	1		Docks & Piers	
1	2		Docks & Piers	
1	3		Docks & Piers	

* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

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EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
STANDARD PROPERTY POLICY

A. We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.

1. The failure, malfunction or inadequacy of:

a. Any of the following, whether belonging to any insured or to others:

(1) Computer hardware, including microprocessors;

(2) Computer application software;

(3) Computer operating systems and related software;

(4) Computer networks;

(5) Microprocessors (computer chips) not part of any computer system; or

(6) Any other computerized or electronic equipment or components; or

b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.

2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.

B. If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:

1. In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or

2. Under the Commercial Property Coverage Part:

a. In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or

b. In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.

C. We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

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.POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL PROPERTY COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CAUSES OF LOSS – SPECIAL FORM

1. Unless specifically described in the coverage description:

a. all coverages and causes of loss provided by this endorsement apply on a per location basis, as shown in the Declarations.

b. all coverages provided by this endorsement are subject to the underlying property deductibles.

2. Unless specifically stated in this endorsement, all other terms, conditions, and exclusions of the policy remain unchanged.

SUMMARY OF COVERAGE AND INDEX

The following is a summary of the various coverages and causes of loss provided by this endorsement. Only the provisions contained in Parts One and Two determine the scope of your insurance protection. No coverage is provided by the following summary.

Other Coverages	Coverage Limits	Page
Back Up of Sewer or Drain and Underground Water Seepage	$25,000	13
Brands and Labels	$25,000	4
Computers and Computerized Equipment	$50,000	7
Computer Fraud	$5,000	6
Electronic Data	$25,000	4
Fine Arts	$25,000	7
Golf Carts and Grounds Maintenance Equipment	$50,000	3
Forgery or Alteration	$25,000	5
Loss Assessment Coverage – Owned Units	$2,000	3
Money and Securities	$25,000	8
Premises Boundary Increased Distance*	1,000 Feet	9
Preservation of Property	90 days	4
Property Coverage – Florida Association Owned Units	$50,000	2
Replacement Cost Optional Coverage – Redefined	If Shown on Declaration	9
Trees, Shrubs and Plants*	$25,000	9

* This includes or replaces limits or time periods provided in the **Building and Personal Property** or **Condominium Association Coverage Forms**.

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OTHER COVERAGES

PART ONE

CONDOMINIUM ASSOCIATION COVERAGE FORM

is changed as follows:

A. Coverage, 1. Covered Property

a. Building, meaning the building or structure described in the Declarations, including:

The following is added:

(7) Any of the following types of property contained within units if the Association owns the unit:

(a) Floor coverings, wall coverings and ceiling coverings within individual units or limited common elements;

(b) Electrical fixtures, water heaters, water filters, window treatments, including curtains, drapes, blinds, hardware and similar window treatment components, and built-in cabinets and countertops which are located within an individual unit or limited common elements;

(c) Any of the following types of property contained inside individual units;

i. Fixtures, installations, additions, improvements and alterations that are a part of the building or structure; and

ii. Appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping;

(d) Improvements or additions to condominium property that benefit fewer than all unit-owners, unless otherwise endorsed to the policy.

(e) With respect to the coverage provided in this Coverage Form, such coverage will be provided for all portions of the condominium property as originally installed or replacement of like kind and quality, in accordance with the original plans and specifications.

(f.) With respect to Replacement Cost coverage as provided in this Coverage Form, the property here is not considered to be the personal property of others.

(g) Any personal property within individual units or limited common elements is not covered.

(h) The maximum limit for any one occurrence or in the aggregate is $50,000 for all owned units.

This extension is excess over other valid and collectible coverage.

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4. Additional Coverages

The following is added:

g. Loss Assessment

(1) For your share of loss assessment charged during the policy period against you, as owner of the "residence premises", by a corporation or association of property owners, we will pay up to $2,000 per occurrence. This assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage A, other than:

(a) Earthquake; or

(b) Land shock waves or tremors before, during or after a volcanic eruption.

The maximum amount of any unit-owner's loss assessment coverage that can be assessed for any one property loss will be an amount equal to your unit-owner's loss assessment coverage limit in effect one day before the date the loss occurred, regardless of the number of assessments. Any changes to the limits of your unit-owner's loss assessment coverage made on or after the day before the date of the occurrence are not applicable to such loss.

The deductible amount, not to exceed the lesser of:

(c) The deductible amount under this policy equal to that which applies to the peril of fire; or

(d) $250;

applies to loss covered under this Additional Coverage. We will pay only that part of the total of all loss payable under this Additional Coverage that exceeds that deductible amount.

This extension is excess over other valid and collectible coverage.

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

CONDOMINIUM ASSOCIATION COVERAGE FORM

are changed as follows:

A. Coverage, **1. Covered Property**

d. "Golf Carts" and "Grounds Maintenance Equipment" is added:

(1) We will pay for accidental loss of or damage to "golf carts" owned, leased to or borrowed by the insured. If there is another insurance policy which covers the same loss, this insurance may be applied as excess over the other insurance policy.

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(2) We will pay for accidental loss of or damage to aerators, mowers, sprayers, tractors, and any other piece of equipment utilized to maintain association common areas, while on the association premises unless covered under another coverage form of this or any other policy in which it is specifically described.

A deductible of $1,000 per occurrence applies to this coverage.

As used in this "Golf Carts" and "Grounds Maintenance Equipment" Coverage Extension:

(a) "Golf Carts" means self-propelled vehicles designed for transport of golfers and their golfing equipment including refreshment carts.

(b) "Grounds Maintenance Equipment" means aerators, "golf carts", mowers, sprayers, tractors, and any other piece of equipment utilized to maintain association common areas.

A. Coverage, 2. Property Not Covered

2. a. does not apply to the following:

(1) Accounts Receivable Coverage Extension.

(2) Money and Securities Coverage Extension.

A. Coverage, 4. Additional Coverages

b. Preservation of Property

In the Preservation of Property Additional Coverage, the time period referenced to is increased to 90 days.

f. Electronic Data is changed as follows:

In the Electronic Data Additional Coverage, the most we will pay referred to in subparagraph **(4)** is increased to $25,000.

g. Brands and Labels is added.

(1) If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we will take all or any part of the property at an agreed or appraised value. If so, you may:

(a) Stamp the word "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or

(b) Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

(2) We will pay reasonable costs you incur to perform the activity as described in **A.4.g.(1)(a)** or **A.4.g.(1)(b)**, above. But, the total we pay for these costs and the value of the damaged property shall not exceed the applicable Limit of Insurance on such property.

The most we will pay for loss under this Brands and Labels Coverage is $25,000 per location as shown on the declarations.

This Limit of Insurance is in addition to any other Limit of Insurance provided by this policy for Brands and Labels Coverage.

h. Forgery or Alteration is added.

We will pay for loss involving "Covered Instruments" directly resulting from the Covered Causes of Loss.

(1) "Covered Instruments" means checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

(a) made or drawn by or drawn upon you;

(b) made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

(2) Covered Causes of Loss under this Forgery or Alteration Additional Coverage means forgery or alteration of, on, or in any "Covered Instrument".

(3) Coverage Extension – Legal Expenses: We will pay for any reasonable legal expenses that you incur and pay in the defense, if you are sued for refusing to pay any "Covered Instrument" on the basis that it has been forged or altered, and you have our written consent to defend against the suit.

The amount we will pay under this extension is in addition to the Limit of Insurance applicable to this Forgery or Alteration Additional Coverage.

We will not pay for loss resulting from any dishonest or criminal act committed by any of your "employees", directors, or trustees:

(1) Whether acting alone or in collusion with other persons; or

(2) Whether while performing services for you or otherwise.

The following Conditions apply to this Forgery or Alteration Additional Coverage:

(1) You must include with your proof of loss any instrument involved in that loss. If this is not possible, you must provide an affidavit setting forth the amount and the cause of loss.

(2) We will treat mechanically reproduced facsimile signatures the same as handwritten signatures.

(3) We will cover loss you sustain anywhere in the world.

We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount of $500. We will pay up to the Limit of Insurance, if the amount of loss is in excess of the $500 Deductible Amount. This provision does not apply to legal expenses paid under this Forgery or Alteration Additional Coverage.

The most we will pay for loss under this Forgery or Alteration Additional Coverage is $25,000 for any one "occurrence". This Limit of Insurance is in addition to any other Limit of Insurance provided by this policy for Forgery or Alteration Coverage.

"Occurrence" under this Forgery or Alteration Additional Coverage means all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.

i. **Computer Fraud** is added:

We will pay for loss of, and loss from damage to, "Money", "Securities" and "Property Other Than Money and Securities" resulting from "Computer Fraud".

We will not pay for loss as specified below:

(1) Loss resulting from any dishonest or criminal act committed by any of your "employees", directors, trustees, or authorized representatives:

(a) Acting alone or in collusion with other persons; or

(b) While performing services for you or otherwise.

(2) Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

(a) An inventory computation; or

(b) A profit and loss computation.

If you have reason to believe that any loss of, or loss from damage to, "Money", "Securities" and "Property Other Than Money and Securities" involves a violation of law, you must notify the police.

As used in this Computer Fraud Additional Coverage:

(1) "Banking Premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.

(2) "Computer fraud" means "theft" of property following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the "premises" or "banking premises" to a person (other than a "messenger") outside those "premises" or to a place outside those "premises."

(3) "Messenger" means you, any of your partners or any employee while having care and custody of the property outside the premises.

(4) "Money" means:

(a) Currency, coins and bank notes in current use and having a face value; and

(b) Travelers checks, register checks and money orders held for sale to the public.

(5) "Premises" means the interior of that portion of any building you occupy in conducting your business.

(6) "Property Other Than Money and Securities" means any tangible property other than "money" and "securities" that has intrinsic value. "Property Other Than Money and Securities" does

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not include computer programs, electronic data or any property specifically excluded under this insurance.

(7) "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:

(a) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

(b) Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

(8) "Theft" means any act of stealing.

The most we will pay for loss under this Computer Fraud Additional coverage is $5,000 for any one "occurrence". This Limit of Insurance is in addition to any other Limit of Insurance provided by this policy for Computer Fraud Coverage.

"Occurrence" means an:

(1) Act or series of related acts involving one or more persons; or

(2) Act or event, or a series of acts or events not involving any person.

A. Coverage, 5. Coverage Extensions is changed as follows:

h. Computers and Computerized Equipment (EDP) is added.

You may extend the insurance that applies to Your Business Personal Property to apply to:

(1) Your computer equipment and related component parts, including such property of others that is in your care, custody or control;

(2) Your blank electronic or magnetic media; and

(3) Your instructional material and prepackaged software programs purchased for use with your computer system.

The most we will pay for loss or damage under this Computers and Computerized Equipment Coverage Extension is $50,000 at each described premises.

Our payment will only be for the account of the owner of the property for loss of or damage to property of others.

i. Fine Arts is added.

You may extend the insurance that applies to Your Business Personal Property to apply to "fine arts" that are your property or the property of others that are in your care, custody, or control.

As used in this Fine Arts Coverage Extension, "fine arts" means antique silver, art glass windows, bric-a-brac, bronzes, etchings, manuscripts, marbles, paintings, pictures, porcelains, rare glass, statuary, tapestries, valuable rugs, and similar property of rarity, historical value or artistic merit.

The most we will pay for loss or damage under this Fine Arts Coverage Extension is $25,000 at each described premises.

Our payment will only be for the account of the owner of the property for loss of or damage to property of others.

j. Money and Securities is added.

You may extend the Insurance that applies to Your Business Personal Property to apply to loss of your “money” and “securities” resulting directly from “theft", disappearance or destruction while:

(1) Inside your premises;

(2) Inside the premises of a banking institution or similar safe depository; or

(3) Outside your premises in the custody of:

(a) A "messenger”; or

(b) An armored motor vehicle company.

As used in this Money and Securities Coverage Extension:

(1) “Messenger” means you, any of your partners or any “employee” while having care and custody of “money” and “securities" outside your premises.

(2) “Money” means currency, coins and bank notes in current use and having a face value and travelers checks, register checks and money orders held for sale to the public.

(3) “Occurrence” means an:

(a) Act or series of related acts involving one or more persons; or

(b) Act or event, or a series of related acts or events not involving any person.

(4) “Securities”, means negotiable and non-negotiable instruments or contracts representing either “money” or other property and includes:

(a) Tokens, tickets, revenue and other stamps or unused value (whether represented by actual stamps or unused value in a meter) in current use; and

(b) Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include “money”.

(5) “Theft” means any act of stealing.

The most we will pay for loss in any one occurrence under this Money and Securities Coverage Extension is $25,000.

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k. Premises Boundary Increased Distance is added:

References in the Building and Personal Property Coverage Form to distances from the described premises are increased to 1,000 feet.

l. Trees, Shrubs and Plants is added.

You may extend the insurance provided by this Coverage Form to apply to loss or damage to your outdoor trees, shrubs and plants (other than stock, or lawns) including debris removal expenses, caused by or resulting from the following causes of loss:

(1) Fire;

(2) Lightning;

(3) Explosion;

(4) Aircraft;

(5) Riot or Civil Commotion;

(6) Vandalism; or

(7) Failing Objects.

The most we will pay for loss or damage under this Trees, Shrubs and Plants Coverage Extension is $25,000 at each described premises.

G. Optional Coverages is changed as follows:

3. Replacement Cost Optional Coverage

a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Loss Condition, Valuation, of this Coverage Form.

b. This Optional Coverage does not apply to:

(1) Contents of a residence;

(2) Manuscripts;

(3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

(4) “Stock”, unless the “Stock” option is shown in the Declarations.

c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 365 days after the loss or damage.

d. 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.

e. We will not pay more for loss or damage on a replacement cost basis than least of:

(1) The Limit of Insurance applicable to the lost or damaged property;

(2) The actual amount you spend necessary to repair or replace lost or damaged property; or

(3) The cost to replace the lost or damaged property with:

(a) New Building property of comparable material and quality and used for the same purpose or, at your option, a less costly building that is functionally equivalent to the damaged building;

(b) New personal property of comparable material and quality and used for the same purpose or, at your option, the most closely equivalent personal property available.

PART TWO
CAUSES OF LOSS - SPECIAL FORM

is changed as follows:

B. Exclusions

b. Earth Movement

Exclusion 1.b. does not apply to the following Coverage Extensions:

(1) Accounts Receivable Coverage Extension;

(2) Computers and Computerized Equipment Coverage Extension;

(3) Fine Arts Coverage Extension; or

(4) Money and Securities Coverage Extension

e. Utility Services

Exclusion 1.e. does not apply to the following Coverage Extensions:

(1) Accounts Receivable Coverage Extension;

(2) Computers and Computerized Equipment Coverage Extension;

(**3**) Fine Arts Coverage Extension; or

(4) Money and Securities Coverage Extension

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g. Water

Exclusion 1.g. does not apply to the following Coverage Extensions:

(1) Accounts Receivable Coverage Extension;

(2) Computers and Computerized Equipment Coverage Extension;

(3) Fine Arts Coverage Extension; or

(4) Money and Securities Coverage Extension

Exclusion 2.a. does not apply to the following Coverage Extensions:

(1) Accounts Receivable Coverage Extension;

(2) Computers and Computerized Equipment Coverage Extension;

(3) Fine Arts Coverage Extension; or

(4) Money and Securities Coverage Extension

Exclusion 2.b. does not apply to the following Coverage Extensions:

(1) Accounts Receivable Coverage Extension;

(2) Computers and Computerized Equipment Coverage Extension;

(3) Fine Arts Coverage Extension; or

(4) Money and Securities Coverage Extension

Exclusion 2.d.(1) does not apply to the Money and Securities Coverage Extension.

Exclusion 2.d.(4) does not apply to the following Coverage Extensions:

(1) Accounts Receivable Coverage Extension;

(2) Computers and Computerized Equipment Coverage Extension;

(3) Fine Arts Coverage Extension; or

(4) Money and Securities Coverage Extension

Exclusion 2.d.(5) does not apply to the following Coverage Extensions:

(1) Accounts Receivable Coverage Extension;

(2) Computers and Computerized Equipment Coverage Extension; or

(3) Money and Securities Coverage Extension.

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Exclusion 2.d.(6) does not apply to the following Coverage Extensions:

(1) Accounts Receivable Coverage Extension;

(2) Computers and Computerized Equipment Coverage Extension;

(3) Fine Arts Coverage Extension; or

(4) Money and Securities Coverage Extension.

Exclusion 2.d.(7) does not apply to the following Coverage Extensions:

(1) Accounts Receivable Coverage Extension; or

(2) Valuable Papers and Records Coverage Extension.

Exclusions 2.d.(7)(a) and **2.d.(7)(b)** do not apply to the Computers and Computerized Equipment Coverage Extension.

Exclusion 2.i. does not apply to the following Coverage Extensions:

(1) Accounts Receivable Coverage Extension;

(2) Computers and Computerized Equipment Coverage Extension;

(3) Fine Arts Coverage Extension; of

(4) Money and Securities Coverage Extension.

4. Special Exclusions

a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, or **Extra Expense Coverage Form**

The following Special Exclusion does not apply if the loss is caused by or results from a Covered Cause of Loss.

Any Loss caused by or resulting from:

(a) Damage or destruction of “finished stock”; or

(b) The time required to reproduce “finished stock”.

This exclusion does not apply to Extra Expense.

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The following are added to section **4. Special Exclusions**:

d. Accounts Receivable

We will not pay under the Accounts Receivable Coverage Extension for loss or damage:

(1) Caused by alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of “money”, “securities” or other property.
This exclusion applies only to the extent of wrongful giving, taking or withholding.

(2) That requires any audit of records or any inventory computation to prove its factual existence.

(3) Caused by:

(a) Accounting, arithmetical, bookkeeping or billing errors or omissions; or

(b) Programming errors or faulty machine instructions.

e. Money and Securities

We will not pay under the Money and Securities Coverage Extension for loss:

(1) Caused by accounting or arithmetical errors or omissions;

(2) Due to the giving or surrendering of property in any exchange or purchase; or

(3) Of property contained in any money-operated device unless the amount of “money” deposited in it is recorded by a continuous recording instrument in the device.

F. Additional Coverage Extensions

The following is added:

5. Back Up of Sewer or Drain/Underground Water Seepage

You may extend the insurance provided by this coverage part at each described premises to apply to loss or damage caused by or resulting from:

(1) water which backs up or overflows from a sewer, drain, or sump; or

(2) water under the ground surface pressing on or flowing or seeping through basements, foundations, walls, floors, or paved surfaces.

This Cause of Loss does not apply to loss or damage caused by or related to flood or conditions induced by flood.

The most we will pay for loss or damage under this Back Up of Sewer or Drain/Underground Water Seepage Coverage Extension is $25,000.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL PROPERTY NOT COVERED

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY

The following is added to PROPERTY NOT COVERED:

SCHEDULE*

Prem. No.	Bldg. No.	Description of Property
1	4	Residential Building - See homeowner association governing declarations
1		Carports
1		Awning or canopies made of fabric or slat construction, including their supports

*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

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POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA HURRICANE PERCENTAGE DEDUCTIBLE – EACH HURRICANE (RESIDENTIAL RISKS)

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY

SCHEDULE A

Premises Number	Building Number	Hurricane Deductible Percentage – Enter 1%, 2%, 3%, 5% Or 10%
1	1,2,3	2% of Corresponding Building Coverage Limit

SCHEDULE B

Minimum Hurricane Occurrence Dollar Deductible	$ 0

Information required to complete these **Schedules**, if not shown above, will be shown in the Declarations.

In consideration of the premium charged, it is agreed that:

The Hurricane Deductible, as shown in the **Schedules** and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Hurricane. This Deductible applies to each occurrence of hurricane.

Under the terms of this endorsement, a hurricane is a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service (hereafter referred to as the NHC). The Hurricane occurrence begins at the time a hurricane watch or hurricane warning is issued for any part of Florida by the NHC, and ends 72 hours after the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the NHC.

If a windstorm is not declared to be a hurricane and there is loss or damage to Covered Property, the applicable deductible is shown elsewhere in this policy.

Nothing in this endorsement implies or affords coverage for any loss or damage that is excluded under the terms of the Water Exclusion or any other exclusion in this policy. If this policy is endorsed to cover Flood under the Flood Coverage Endorsement (or if you have a flood insurance policy), a separate Flood Deductible applies to loss or damage attributable to Flood, in accordance with the terms of that endorsement or policy.

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As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings: Specific insurance covers each item of insurance (for example, each building or personal property in a building) under a separate Limit of Insurance. Blanket insurance covers two or more items of insurance (for example, a building or personal property in that building, or two buildings) under a single Limit of Insurance. Items of insurance and corresponding Limit(s) of Insurance are shown in the Declarations.

With respect to Covered Property at a location shown in **Schedule A**, no other deductible, other than the Minimum Hurricane Occurrence Dollar Deductible, applies to Hurricane.

The Hurricane Deductible Percentage and the Minimum Hurricane Occurrence Dollar Deductible apply whenever there is an occurrence of a Hurricane.

HURRICANE DEDUCTIBLE CALCULATIONS

A. Calculation Of The Deductible – All Policies

1. A Deductible is calculated separately for, and applies separately to:
   - **a.** Each building that sustains loss or damage;
   - **b.** The personal property at each building at which there is loss or damage to personal property;
   - **c.** Personal property in the open.

   If there is damage to both a building and personal property in that building, separate deductibles apply to the building and to the personal property.

   The Minimum Hurricane Occurrence Dollar Deductible, as shown in **Schedule B**, is the minimum dollar deductible amount for all locations experiencing loss or damage from a single Hurricane.
2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Hurricane Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition; Agreed Value Optional Coverage; any provision in a Value Reporting Form relating to full reporting or failure to submit reports.
3. If an item of insurance is insured under more than one policy issued by us or another insurer in our insurer group for the same policy period and different Hurricane Deductibles apply to the same item of insurance under such policies, then the Hurricane Deductible for that item of insurance shall be the highest amount stated in any of the policies.

B. Calculation Of The Deductible – Specific Insurance Other than Builders' Risk

1. **Property Not Subject To Value Reporting Forms**

   In determining the amount, if any, that we will pay for loss or damage, we will deduct:
   - **a.** an amount equal to 1%, 2%, 3%, 5% or 10% (as shown in **Schedule A**) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage ; or
   - **b.** The amount of the Minimum Hurricane Occurrence Dollar Deductible (as shown in **Schedule B**).

C. Calculation Of The Deductible – Blanket Insurance Other Than Builders' Risk

1. **Property Not Subject To Value Reporting Forms**

   In determining the amount, if any, that we will pay for loss or damage, we will deduct:
   - **a.** an amount equal to 1%, 2%, 3%, 5% or 10% (as shown in **Schedule A**) of the value(s) of the property that has sustained loss or damage. The value(s) to be used are those shown in the most recent Statement of Values on file with us; or
   - **b.** The amount of the Minimum Hurricane Occurrence Dollar Deductible (as shown in **Schedule B).**

D. Calculation Of The Deductible – Property Covered Under The Coverage Extension For Newly Acquired Or Constructed Property

The following applies when property is covered under the Coverage Extension for Newly Acquired or Constructed Property:

In determining the amount, if any, that we will pay for loss or damage to such property, we will deduct an amount equal to a percentage of the value(s) of the property at time of loss. The applicable percentage for Newly Acquired or Constructed Property is the highest percentage shown.

EXAMPLES – APPLICATION OF DEDUCTIBLE

EXAMPLE #1 – SPECIFIC INSURANCE (B.1.)

The amount of loss to the damaged building is $60,000.

The value of the damaged building at time of loss is $100,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limit of Insurance needed to meet the coinsurance requirement is $80,000 (80% of $100,000).

The **actual** Limit of Insurance on the damaged building is $70,000.

The Deductible is 1%.

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Step **(1):** $70,000 ÷ $80,000 = .875
Step **(2):** $60,000 x .875 = $52,500
Step **(3):** $70,000 x 1% = $700
Step **(4):** $52,500 – $700 = $51,800

The most we will pay is $51,800. The remainder of the loss, $8,200, is not covered due to the Coinsurance penalty for inadequate insurance (steps **(1)** and **(2)**) and the application of the Deductible (steps **(3)** and **(4)**).

EXAMPLE #2 – SPECIFIC INSURANCE (B.1.)

The amounts of loss to the damaged property are $60,000 (building) and $40,000 (personal property in building).

The value of the damaged building at time of loss is $100,000. The value of the personal property in that building is $80,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limits of Insurance needed to meet the coinsurance requirement are $80,000 (80% of $100,000) for the building and $64,000 (80% of $80,000) for the personal property.

The **actual** Limits of Insurance on the damaged property are $80,000 on the building and $64,000 on the personal property (therefore no Coinsurance penalty).

The Deductible is 2%.

BUILDING

Step **(1):** $80,000 x 2% = $1,600
Step **(2):** $60,000 – $1,600 = $58,400

PERSONAL PROPERTY

Step **(1):** $64,000 x 2% = $1,280
Step **(2):** $40,000 – $1,280 = $38,720

The most we will pay is $97,120. The portion of the total loss not covered due to application of the Deductible is $2,880.

EXAMPLE #3 – BLANKET INSURANCE (C.1.)

The sum of the values of Building #1 ($500,000), Building #2 ($500,000) and Building #3 ($1,000,000), as shown in the most recent Statement of Values on file with us, is $2,000,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the coinsurance requirement is $1,800,000 (90% of $2,000,000).

The **actual** Blanket Limit of Insurance covering Buildings #1, #2, and #3, shown in the Declarations, is $1,800,000 (therefore no Coinsurance penalty).

Buildings #1 and #2 have sustained damage; the amounts of loss to these buildings are $40,000 (Building #1) and $20,000 (Building #2).

The Deductible is 2%.

BUILDING #1

Step **(1):** $500,000 x 2% = $10,000

Step **(2):** $40,000 – $10,000 = $30,000

BUILDING #2

Step **(1):** $500,000 X 2% = $10,000
Step **(2):** $20,000 – $10,000 = $10,000

The most we will pay is $40,000. The portion of the total loss not covered due to application of the Deductible is $20,000.

EXAMPLE #4 – BLANKET INSURANCE (C.1.)

The sum of the values of Building #1 ($500,000), Building #2 ($500,000), Personal Property at Building #1 ($250,000) and Personal Property at Building #2 ($250,000), as shown in the most recent Statement of Values on file with us, is $1,500,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the coinsurance requirement is $1,350,000 (90% of $1,500,000).

The **actual** Blanket Limit of Insurance covering Buildings #1 and #2 and Personal Property at Buildings #1 and #2, shown in the Declarations, is $1,350,000. Therefore there is no Coinsurance penalty.

Building #1 and Personal Property at Building #1 have sustained damage; the amounts of loss are $95,000 (Building) and $5,000 (Personal Property).

The Deductible is 5%.

BUILDING

Step **(1):** $500,000 x 5% = $25,000
Step **(2):** $95,000 – $25,000 = $70,000

PERSONAL PROPERTY

Step **(1):** $250,000 X 5% = $12,500
The loss, $5,000, does not exceed the deductible.

The most we will pay is $70,000. The remainder of the building loss, $25,000, is not covered due to application of the Deductible. There is no loss payment for the personal property.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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TruStage | CUMIS Specialty Insurance Company

PFAS AND RELATED CHEMICALS EXCLUSION ENDORSEMENT
COMMERCIAL PROPERTY POLICY

This endorsement changes the Policy. Please read it carefully. This endorsement modifies insurance provided under the following:

Commercial Property Coverage Form

The following exclusions are added:

We will not pay for loss or damage caused directly or indirectly by any of the follow: any claim, suit, loss, injury, damage, cost or expense in any way based upon, directly or indirectly arising from, in any way related to, or in any way involving any actual or alleged per- and polyfluoroalkyl substances and related chemicals ("PFAS").

PFAS include but are not limited to the following:

1. Perfluorinated Chemicals (PFCs), Perfluorobutane sulfonate (PFBS), Perfluorohexane sulfonate (PFHxS), Perfluorohexanoic acid (PFHxA), Perfluorooctanoic acid (PFOA) also known as C8, Perfluorooctane sulfonate (PFOS), Perfluoronoanoic acid (PFNA), Perfluorodecanoic acid (PFDA), 8+2 Fluorotelomer alcohol 8:2 FTOH;

2. Perfluoroalkyl acids (PFAAs), PFCAs (Per-polyfluoroalkyl carboxylic acids,) PFSAs (Per-polyfluoroalkane sulfonic acids,) PFPAs (Per-polyfluoroalkyl phosphonic acids), PFPIAs (Per-polyfluoroalkyl phosphinic acids);

3. All Fluoropolymers, including but not limited to: PTFE (Polytetrafluoroethylene), PVDF (Polyvinylidene fluoride), FEP (Fluorinated ethylene propylene), and FPA (Perfluoroalkoxyl polymer);

4. Per- and polyfluoroalkyl iodides (PFAI), including but not limited to FTI (Fluorotelomer iodides) and FT-derivatives;

5. All Per- and polyfluoroalkyl ethers (PFPE), and PFPE-based derivatives, including but not limited to polyfluoroalkyl ether carboxylic acids (PFECA);

6. Per- and polyfluoroalkane sulfonyl fluoride (PASF), and PASF-based derivatives;

7. All Side-Chain Fluorinated Polymers, including but not limited to: Fluorinated (meth) acrylate polymers, Fluorinated urethane polymers, Fluorinated oxetane polymers, and;

8. All Perfluoropolyethers.

This exclusion applies regardless of whether PFAS are the initial precipitating cause or are in any way a cause of any claim, suit, loss, injury, damage, cost or expense and regardless of whether any other actual or alleged cause contributed concurrently, proximately, or in any other sequence to such claim, suit, loss, injury, damage, cost or expense, including regardless of whether any actual or alleged claim, suit, loss, injury, damage, cost or expense arises out of a chain of events that includes PFAS. This exclusion includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor, contain, test for or in any way respond to or assess the effect of any PFAS. This exclusion applies regardless of whether contamination is traditional or non-traditional, and regardless of intent. This exclusion applies regardless of any provision in the policy to the contrary.

If Insurers allege that this exclusion applies to any claim under this Policy, the burden of proving the contrary shall be upon the Insured.

POLICY NUMBER:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL PROPERTY NOT COVERED IF DAMAGE IS CAUSED BY WINDSTORM OR HAIL

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
ADDITIONAL COVERED PROPERTY

1. The following is added to **SECTION A – COVERAGE, 2. Property Not Covered**:

r. The following property if damage is caused by **WINDSTORM OR HAIL**:

(1) Any structure or attachment, whether attached or separate from the covered building, where that structure's roof covering are made of screen, fabric, thatch, and similar material; or

Where the structure's exterior wall coverings are made of screen, fabric, thatch, and similar material.

Similar structures and personal property contained within or on these structures.

(2) Awnings or canopies of fabric including their supports

(3) Carports or any vehicle coverings not fully enclosed by a roof and four walls

2. The provisions of this endorsement applies regardless if Additional Covered Property CP 14 10 is attached.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

APPRAISAL LOSS CONDITIONS

This endorsement modifies insurance provided under the following:

CONDOMINIUM ASSOCIATION COVERAGE FORM
BUILDING AND PERSONAL COVERAGE FORM

Paragraph **2. Appraisal** under **LOSS CONDITIONS** on the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** and **CONDOMINIUM ASSOCIATION COVERAGE FORM** is deleted and replaced with the following:

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either party may request, in writing, an appraisal of the value of the property and/or the amount of loss. You cannot make such request unless:

a. You have fully complied with all provisions of this policy; and

b. We have received a signed and sworn proof of loss from you identifying the total amount being claimed under the policy along with detailed amounts for each type of coverage being claimed including but not limited to real property, personal property, stock, contents, debris removal, business income, extra expense, ordinance or law, and any other additional coverage under which a claim is being made.

An appraisal may then take place only if the other party agrees in writing to participate in the appraisal process. Furthermore, both parties must agree to a written appraisal agreement specifying an appraisal protocol that at minimum includes:

a. The selection of a disinterested, competent, and impartial appraiser for each party who does not have any financial interest in the claim or appraisal award, including any contingent interest in the outcome of the claim or appraisal award.

b. The inspection of the property by the appraisers and their experts if deemed necessary.

c. Communications between and among the appraisers and umpire.

d. Specific itemization of each item of property and business income in dispute and to be appraised, allocated building-by-building, floor-by-floor, unit-by-unit, and/or area-by-area or as otherwise agreed; and

e. An award form that delineates per the areas highlighted in paragraph d. above and shows both ACV & RCV amounts.

If the parties cannot agree on a written agreement specifying the protocol within 30 days of the first written request for an appraisal, the appraisal will not take place, unless an extension to that period has been agreed to by both parties in writing.

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If the appraisal moves forward, the two appraisers will select a disinterested, competent, and impartial umpire who does not have any financial interest in the claim or appraisal award, including any contingent interest in the outcome of the claim or appraisal award. If the appraisers are unable to agree on an umpire within 15 days of beginning the selection process, either party has the right to unilaterally end the appraisal upon written notice to the other. Alternatively, the two parties can agree to jointly petition a court of competent jurisdiction to select a disinterested, competent, and impartial umpire who does not have any financial interest in the claim or appraisal award, including any contingent interest in the outcome of the claim or appraisal award. If either party to the appraisal unilaterally asks a court to select an umpire, any such selection shall be invalidated and the selection of a new umpire shall be required in line with the process stated above.

If the agreed upon umpire is unable to perform their duties and relieves themself of their role, the two appraisers must mutually agree on a new umpire in line with the process stated above. If they are unable to agree on an umpire within 15 days of restarting the selection process, either party has the right to unilaterally end the appraisal upon written notice to the other.

Each appraiser will independently state, in accordance with the terms and conditions of this policy, the actual cash value and replacement cost value (if this policy provides replacement cost value coverage) for each item of damaged real and personal property as well as any other disputed amounts as required by the written appraisal agreement.

If the appraisers fail to agree, they will submit their differences to the umpire and any agreement in the amount of loss using the agreed upon award form between the umpire and either appraiser will be binding. If the award is not in the agreed upon form it will not be binding on the parties until it is in the agreed upon form.

Each party will pay its chosen appraiser and will equally bear all other expenses of the appraisal and umpire.

In connection with the appraisal proceeding, neither the appraisers nor the umpire shall have authority to decide questions of law. Neither the appraisers nor the umpire shall have authority to, nor attempt to, resolve any issue of insurance coverage, policy exclusions, compliance with the policy terms and conditions, or any issues concerning any limits of insurance available under the Policy.

A demand for an appraisal does not relieve you of your continuing obligation to comply with the terms and conditions of this policy, including all requirements outlined in event of a loss. We may require completion of any of your duties, responsibilities, or requirements of this policy prior to continuance of the appraisal proceeding.

If there is an appraisal, we will still retain our right to deny the claim.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL ACTIVITIES EXCLUSION

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:
COMMERCIAL GENERAL LIABILITY COVERAGE FORM
COMMERCIAL LIABILITY UMBRELLA COVERAGE FORM

In consideration of the premium charged, it is agreed that:

This insurance does not apply to:

1. Any loss, cost, expense, claim or suit arising out of:

a. The rental or lease of (including any rental or lease involving a third party vendor), or any organized activity involving:

(1) Rollerblades, roller skates, skateboards, or longboards;

(2) Non-motorized vehicles, including, but not limited to bicycles;

(3) All-terrain vehicles, go-carts, scooters, segways and motorcycles; or

(4) Motor boats and/or any offshore water activities, including but not limited to water skiing, jet skiing, knee boarding, tubing, sailing, kayaking, canoeing, kite boarding, wind surfing and surfing;

b. Aerial activities, including, but not limited to ballooning, parasailing, parachuting, parasurfing, hang gliding, jetpacking, fly boarding, paragliding, and ultralighting;

c. Mechanical, animal, or amusement rides;

d. Bungee jumping, hunting, archery; or

e. Any activity which occurs at a:

(1) Shooting range;

(2) Skate park;

(3) Roller hockey rink; or

(4) Equestrian center, including any location where equestrian activities take place.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section **II** – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V** – Definitions.

SECTION I – COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B.**

b. This insurance applies to "bodily injury" and "property damage" only if:

(1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph **1.** of Section **II** – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph **1.** of Section **II** – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of Section **II** – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

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e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **(1)** above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

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f. Pollution

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

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(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 26 feet long; and

(b) Not being used to carry persons or property for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

(a) 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 law in the state where it is licensed or principally garaged; or

(b) the operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

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(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1), (3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section **III** – Limits Of Insurance.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3), (4), (5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

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

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

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Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **III** – Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B.**

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of websites for others; or

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(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a., b.** and **c.** of "personal and advertising injury" under the Definitions Section.

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.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

(1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(a) The accident takes place in the "coverage territory" and during the policy period;

(b) The expenses are incurred and reported to us within one year of the date of the accident; and

(c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage **A.**

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

a. All expenses we incur.

b. Up to $250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $250 a day because of time off from work.

e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

b. This insurance applies to such liability assumed by the insured;

c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

(a) Cooperate with us in the investigation, settlement or defense of the "suit";

(b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(c) Notify any other insurer whose coverage is available to the indemnitee; and

(d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

(a) Obtain records and other information related to the "suit"; and

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(b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

(a) Owned, occupied or used by,

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

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b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

a. Medical expenses under Coverage **C;**

b. Damages under Coverage **A,** except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

c. Damages under Coverage **B.**

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to Paragraph **2.** above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

a. Damages under Coverage **A;** and

b. Medical expenses under Coverage **C**

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "occurrence" or offense took place;

(2) The names and addresses of any injured persons and witnesses; and

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(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

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(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

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 law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

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3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in Paragraph **a.** above;

(2) The activities of a person whose home is in the territory described in Paragraph **a.** above, but is away for a short time on your business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph **a.** above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

b. A sidetrack agreement;

c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement;

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

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10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in Paragraph **a., b., c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication, in any manner, of material that violates a person's right of privacy;

f. The use of another's advertising idea in your "advertisement"; or

g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

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15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

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(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEDUCTIBLE LIABILITY INSURANCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Coverage	Amount and Basis of Deductible PER CLAIM	or	PER OCCURRENCE
Bodily Injury Liability	$ 0.00		$ 0.00
OR			
Property Damage Liability	$ 0.00		$ 0.00
OR			
Bodily Injury Liability and/or Property Damage Liability Combined	$ 0.00		$ 0.00

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

APPLICATION OF ENDORSEMENT (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury" and "property damage", however caused):

A. Our obligation under the Bodily Injury Liability and Property Damage Liability Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.

B. You may select a deductible amount on either a per claim or a per "occurrence" basis. Your selected deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. The deductible amount stated in the Schedule above applies as follows:

1. PER CLAIM BASIS. If the deductible amount indicated in the Schedule above is on a per claim basis, that deductible applies as follows:

a. Under Bodily Injury Liability Coverage, to all damages sustained by any one person because of "bodily injury";

b. Under Property Damage Liability Coverage, to all damages sustained by any one person because of "property damage"; or

c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages sustained by any one person because of:

(1) "Bodily injury";

(2) "Property damage"; or

(3) "Bodily injury" and "property damage" combined

as the result of any one "occurrence".

If damages are claimed for care, loss of services or death resulting at any time from "bodily injury", a separate deductible amount will be applied to each person making a claim for such damages.

With respect to "property damage", person includes an organization.

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2. **PER OCCURRENCE BASIS.** If the deductible amount indicated in the Schedule above is on a "per occurrence" basis, that deductible amount applies as follows:

   a. Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";

   b. Under Property Damage Liability Coverage, to all damages because of "property damage"; or

   c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages because of:

   (1) "Bodily injury";

   (2) "Property damage"; or

   (3) "Bodily injury" and "property damage" combined

   as the result of any one "occurrence", regardless of the number of persons or organizations who sustain damages because of that "occurrence".

C. The terms of this insurance, including those with respect to:

1. Our right and duty to defend the insured against any "suits" seeking those damages; and

2. Your duties in the event of an "occurrence", claim, or "suit"

apply irrespective of the application of the deductible amount.

D. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – CONDOMINIUM UNIT OWNERS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

WHO IS AN INSURED (Section II) is amended to include as an insured each individual unit owner of the insured condominium, but only with respect to liability arising out of the ownership, maintenance or repair of that portion of the premises which is not reserved for that unit owner's exclusive use or occupancy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – VIOLATION OF STATUTES THAT GOVERN E-MAILS, FAX, PHONE CALLS OR OTHER METHODS OF SENDING MATERIAL OR INFORMATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2., Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

DISTRIBUTION OF MATERIAL IN VIOLATION OF STATUTES

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or

b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

B. The following exclusion is added to Paragraph **2., Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

DISTRIBUTION OF MATERIAL IN VIOLATION OF STATUTES

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or

b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

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EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2., Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs **(a), (b),** or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a), (b)** or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph **2., Exclusions** of Section **I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a), (b),** or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a), (b)** or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion **f.** under Paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

(1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to:

(a) "Bodily injury" if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or

(b) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:

(i) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

(ii) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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CUMIS SPECIALTY INSURANCE COMPANY

POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GENERAL LIABILITY COVERAGE EXTENSION ENDORSEMENT – COMMUNITY ASSOCIATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG 00 01

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance. The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured. Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

The following is a summary of the limits, additional coverages and extensions provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

SCHEDULE

Additional Insured – Committee, Organization and Subsidiary	Included
Additional Insured – Managers or Lessors of Premises	Included
Additional Insured – Automatic Status When Required by Contract	Included
Association Owned Units	Included
Broadened Definition of Mobile Equipment	Included
Damage to Premises Rented to You	Broadened Perils
Duties in the Event of Occurrence, Offense, Claim or Suit	Included
Liberalization	Included
Non-Owned Aircraft	If rented or loaned with a paid crew
Non-Owned Watercraft	Increased to 51 feet long
Notice of Occurrence	Included
Per Location and Per Project Aggregates	Included
Property Damage to Borrowed Equipment	Up to $10,000 per “occurrence”
Revised Exclusion for Expected or Intended Injury	Included
Supplementary Payments Bail Bonds Loss of Earnings	 Up to $2,500 Up to $300 a day
Unintentional Failure to Disclose Hazards	Included
Waiver of Transfer of Rights of Recovery	Included

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Unless specifically stated in this endorsement, all other terms, conditions and exclusions of the policy remain unchanged.

A. Changes to SECTION I - COVERAGES

1. ASSOCIATION OWNED UNITS

a. SECTION I – COVERAGE A., 1. Insuring Agreement is amended to add:

f. Coverage is extended to include any units owned by the Association for which the Association becomes legally responsible. The Association shall require any tenant to obtain and maintain Personal Liability insurance. This extension is excess over other valid and collectible coverage.

2. DAMAGE TO PREMISES RENTED TO YOU

a. SECTION I - COVERAGE A., 2. Exclusions is amended to delete the last paragraph and is replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke or sprinkler leakage to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III - LIMITS OF INSURANCE**.

b. SECTION III – LIMITS OF INSURANCE, 6. is deleted and replaced by the following:

6. Subject to **5.** above, the higher of $300,000 or the Damage to Premises Rented to You Limit shown in the Declarations is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

3. NON-OWNED WATERCRAFT AND NON-OWNED AIRCRAFT RENTED OR LOANED TO YOU WITH A CREW

a. Exclusion **g. Aircraft, Auto or Watercraft**, paragraph **(2)** is deleted in its entirety and replaced with the following:

(2) A watercraft you do not own that is:

(a) Less than 51 feet long; and

(b) Not being used to carry persons or property for a charge.

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b. The following is added to **g. Aircraft, Auto or Watercraft**:

(6) An aircraft not owned by any insured that is rented or loaned to you, provided that:

(a) The pilot in command holds a current certificate issued by the duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;

(b) It is rented with a trained, paid crew; and

(c) It does not transport persons or cargo for a charge.

If other insurance applies to a loss because of "property damage" to non-owned watercraft or aircraft as described in **(2)(a)** & **(b)** or **(6)** above, the insurance provided by this Coverage Form does not apply whether the other insurance is primary, excess, contingent, or issued on any other basis.

B. Changes to SECTION I - COVERAGE - EXCLUSIONS

1. EXPECTED OR INTENDED INJURY

a. Exclusion 2. a. is deleted in its entirety and replaced by the following:

a. Expected or Intended Injury

"Bodily injury" or 'property damage" expected or intended from the standpoint of the insured.

This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

2. PROPERTY DAMAGE - BORROWED EQUIPMENT

a. The following is added **2. Exclusions, j. Damage to Property, (4)** Personal Property in the care, custody or control of the insured;

does not apply to "property damage" to borrowed equipment while that equipment:

1. is not being used to perform operations; and

2. is away from an insured's premises.

b. The insurance afforded by the above exclusion exception is in excess over any valid and collectible property insurance (including any deductible) available to the insured whether primary, excess, contingent or on any other basis.

c. SECTION III - LIMITS OF INSURANCE is amended to add the following:

Subject to the General Aggregate provision, the most we will pay under this provision for "property damage" to borrowed equipment is $10,000 per "occurrence".

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3. SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

a. Item **1. (b)** is deleted in its entirety and replaced by the following:

(b) Up to $2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

b. Item **1. (d)** is deleted in its entirety and replaced by the following:

(d) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $300 a day because of time off from work.

C. Changes to SECTION II - WHO IS AN INSURED

1. ADDITIONAL INSURED – COMMITTEE, ORGANIZATION AND SUBSIDIARY

a. Section II – Who Is An Insured is amended to include as an additional insured any Committee, Organization and Subsidiary which you control and actively manage on the effective date of this Coverage Part.

This insurance does not apply to any committee, organization and subsidiary not shown in the Declarations as a Named Insured, if they are also insured under another policy, but for its termination or the exhaustion of its limits of insurance.

2. ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES

a. Section II – Who Is An Insured is amended to include as an additional insured any person or organization with respect to their liability arising out of the ownership, maintenance or use of that portion of the premises leased to you.

This insurance does not apply to:

(1) Any "occurrence" which takes place after you cease to be a tenant in that premises.

(2) Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.

3. ADDITIONAL INSURED - AUTOMATIC STATUS WHEN REQUIRED BY CONTRACT

a. Section II – Who Is An Insured is amended to include as an additional insured any person or organization when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In the performance of your ongoing operations; or

(2) In connection with your premises owned by or rented to you.

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b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Supervisory, inspection, architectural or engineering activities.

(2) "Bodily injury" or "property damage" occurring after:

(a) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

(b) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

D. Changes to SECTION III - LIMITS OF INSURANCE

1. PER LOCATION AND PER PROJECT AGGREGATES

a. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)**, which can be attributed only to operations at a covered "location" or covered construction project:

(1) A separate Per Location or Per Project General Aggregate Limit applies to each covered "location" or covered construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.

(2) The Per Location or Per Project General Aggregate Limit is the most we will pay for the sum of all damages under **COVERAGE A**., except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under **COVERAGE C**, regardless of the number of:

(a) insureds;

(b) claims made or "suits" brought; or

(c) persons or organizations making claims or bringing "suits".

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(3) Any payments made under **COVERAGE A** for damages or under **COVERAGE C** for medical expenses shall reduce the Per Location or Per Project General Aggregate Limit for each covered "location" or covered project for which payment is made. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other covered "location" or covered project's general aggregate.

(4) The limits shown in the Declarations for Each Occurrence, Fire Damage and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Per Location or Per Project General Aggregate Limit.

b. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **COVERAGE A (SECTION I)**, and for all medical expenses caused by accidents under **COVERAGE C (SECTION I)**, which cannot be attributed only to ongoing operations at a covered "location" or covered project:

(1) Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and

(2) Such payments shall not reduce any Per Location or Per Project General Aggregate Limit.

c. When coverage for liability arising out of the products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Per Location or Per Project General Aggregate Limit.

d. Definition

For the purposes of the Per Location and Per Project Aggregates, "location" means premises you own, rent or occupy, including all buildings and structures that collectively make up the premises and sharing the same or connecting lots, or premises whose connection of lots is interrupted only by a street, roadway, waterway or right-of-way of a railroad. All buildings and structures that collectively make up the premises will be subject to a single Per Location Aggregate.

e. If the applicable covered construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be considered the same construction project.

f. The provision of **Limits of Insurance (Section III)** not otherwise modified by this endorsement shall continue to apply as stipulated.

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E. Changes to SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

a. Item **2. DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT, a.** applies only when the "occurrence" or offense is known to:

(1) You, if you are an individual;

(2) A partner, if you are a partnership; or

(3) An executive officer, director or association manager, if you are a corporation.

b. Item **2. DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT, b.** will not be considered breached unless the breach occurs after such claim or "suit" is known to:

(1) You, if you are an individual;

(2) A partner, if you are a partnership; or

(3) An executive officer, director or association manager, if you are a corporation.

2. NOTICE OF OCCURRENCE

The following is added to paragraph **2. Duties In The Event of Occurrence, Offense, Claims or Suit**:

Your rights under the Coverage Part will not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit" and that failure is solely due to your reasonable belief that the "bodily injury" or "property damage" is not covered under this Coverage Part. However, you shall give written notice of this "occurrence", offense, claim or "suit" to us as soon as you are aware that this insurance may apply to such "occurrence", offense, claim or "suit".

3. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

Item **8. Transfer of Rights of Recovery Against Others to Us** is amended by the addition of the following:

We agree to waive any right of recovery we may have against any person or organization with whom you have agreed by contract prior to an "occurrence" to waive such rights because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". The waiver applies only to the person or organization with whom you have agreed in a contract prior to an "occurrence" to waive such rights.

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4. UNINTENTIONAL FAILURE TO DISCLOSE ALL HAZARDS

SECTION IV, COMMERCIAL GENERAL LIABILITY CONDITIONS, is amended to include the following:

10. Based on our reliance on your representations regarding any existing hazards, if you unintentionally fail to disclose all such hazards prior to the beginning of the policy period of the Coverage Part, we shall not deny coverage under this coverage Part because of such unintentional failure.

5. LIBERALIZATION

SECTION IV, COMMERCIAL GENERAL LIABILITY CONDITIONS, is amended to include the following:

11. If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage on the date the revision is effective in your state.

F. Changes to SECTION V - DEFINITIONS

12. Mobile Equipment, paragraph **f. (1)** is amended to add the following:

This shall not apply to self-propelled vehicles of less than one thousand (1,000) pounds gross vehicle weight.

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EXCLUSION – YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2., Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph **2., Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" (or "personal and advertising injury" if defined as such in your policy) arising directly or indirectly out of:

a. Any actual or alleged failure, malfunction or inadequacy of:

(1) Any of the following, whether belonging to any insured or to others:

(a) Computer hardware, including microprocessors;

(b) Computer application software;

(c) Computer operating systems and related software;

(d) Computer networks;

(e) Microprocessors (computer chips) not part of any computer system; or

(f) Any other computerized or electronic equipment or components; or

(2) Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **2.a.(1)** of this endorsement

due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

b. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **2.a.** of this endorsement.

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CUMIS SPECIALTY INSURANCE COMPANY

POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

B. The following exclusion is added to Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.

b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

C. The following definition is added to the **Definitions** Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

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SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2., Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".

b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

B. The following exclusion is added to Paragraph **2., Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

C. The following definitions are added to the **Definitions** Section:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR, BIOLOGICAL OR CHEMICAL EXCLUSION

This endorsement modifies insurance provided under this Policy

In consideration of the premium charged, it is agreed that:

A. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:

a. That involve the following or preparation for the following:

(1) Use or threat of force or violence; or

(2) Commission or threat of a dangerous act; or

(3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

b. When one or both of the following applies:

(1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

(2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

2. "Any injury or damage" means any injury or damage covered under any Coverage Part or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or Policy.

B. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or

3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this Coverage Part or Policy.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – EXTERIOR INSULATION AND FINISH SYSTEMS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:

1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or

2. "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any substantially similar system, is used on the part of that structure containing that component, fixture or feature.

B. The following definition is added to the **Definitions** Section:

"Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:

1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;

2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;

3. A reinforced or unreinforced base coat;

4. A finish coat providing surface texture to which color may be added; and

5. Any flashing, caulking or sealant used with the system for any purpose.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TERRORISM EXCLUSION

This endorsement modifies insurance provided under this Policy

In consideration of the premium charged, it is agreed that:

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism", or out of an "other act of terrorism" that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the "coverage territory". However, with respect to an "other act of terrorism", this exclusion applies only when one or more of the following are attributed to such act:

1. The total of insured damage to all types of property exceeds $25,000,000 (valued in US dollars). In determining whether the $25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or

2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:

a. Physical injury that involves a substantial risk of death; or

b. Protracted and obvious physical disfigurement; or

c. Protracted loss of or impairment of the function of a bodily member or organ; or

3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or

4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs **1.** and **2.** describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

a. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;

b. The act resulted in damage:

(1) Within the United States (including its territories and possessions and Puerto Rico); or

(2) Outside of the United States in the case of:

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(a) An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or

(b) The premises of any United States mission; and

c. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

3. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism".

Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

C. In the event of any incident of a "certified act of terrorism" or an "other act of terrorism" that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Coverage Part.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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AMENDMENT OF INSURED CONTRACT DEFINITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Paragraph **9.** of the **Definitions** Section is replaced by the following:

9. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

b. A sidetrack agreement;

c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement;

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

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LEAD LIABILITY EXCLUSION ENDORSEMENT
COMMERCIAL GENERAL LIABILITY POLICY

This endorsement changes the Policy. Please read it carefully. This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Form
Owners And Contractors Protection Liability Coverage Form

All other terms and conditions remain unchanged.

The following exclusions are added:

This insurance does not apply to:

1. actual or alleged "bodily injury" arising out of the ingestion, inhalation or absorption of lead in any form;

2. actual or alleged "property damage" (or "personal and advertising injury", if provided by this Policy) arising out of any form of lead;

3. any loss, cost or expense arising out of any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of lead; or

4. any loss, cost or expense arising out of any claim or suit by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of lead.

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ASBESTOS EXCLUSION ENDORSEMENT
COMMERCIAL GENERAL LIABILITY POLICY

This endorsement changes the Policy. Please read it carefully. This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Form
Owners And Contractors Protection Liability Coverage Form

All other terms and conditions remain unchanged.

The following exclusions are added:

A. This insurance does not apply to any loss of "bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or suspected:

   1. Ingestion, inhalation, absorption, presence or exposure or threat of exposure to asbestos in any form, or goods or products containing any form of asbestos;

   2. Use of any form of asbestos in constructing or manufacturing any good, product or structure;

   3. Removal of any form of asbestos from any good, product or structure; or

   4. The manufacture, intellectual development, sale, transportation, storage, or disposal of asbestos or goods or products containing any form of asbestos.

B. We will not pay any:

   1. Loss, cost or expense, including but not limited to defense costs, claim expenses, bonds or fees arising out of any request, demand or order that any insured or others identify, abate, test for, sample, monitor, clean up, remove, cover, contain, treat, detoxify, decontaminate, neutralize or mitigate; or in any way respond to or assess the effects of asbestos; or repair, replace or improve any property as a result of such effects; or

   2. Loss, cost or expense arising out of any claim or "suit" by or on behalf of a governmental authority for damages because of identification of, abatement of, testing for, sampling, monitoring, cleaning up, removing, covering, containing, treating, detoxifying, decontaminating, neutralizing or mitigating; or in any way responding to or assessing the affects of asbestos; or repairing, replacing or improving any property as a result of such effects.

C. This exclusion applies whether or not:

   1. Such loss, cost or expense was caused by the instigation of, or with the direct or indirect involvement of any Named Insured, the Named Insured's employees, Additional Insureds or other persons on the Named Insured's premises or worksite at any time.

2. Such loss, cost or expense was caused by or arising out of the failure at any time of any Named Insured, the Named Insured's employees, Additional Insureds, or other persons on any Named Insured's premises or worksite to supervise or keep the premise or worksite in a safe condition.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

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"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

(a) Any "nuclear reactor";

(b) Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

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PFAS AND RELATED CHEMICALS EXCLUSION ENDORSEMENT
COMMERCIAL GENERAL LIABILITY POLICY

This endorsement changes the Policy. Please read it carefully. This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Form

All other terms and conditions remain unchanged.

The following exclusions are added:

This insurance does not apply to any claim, suit, loss, injury, damage, cost or expense in any way based upon, directly or indirectly arising from, in any way related to, or in any way involving any actual or alleged per- and polyfluoroalkyl substances and related chemicals ("PFAS").

PFAS include but are not limited to the following:

1. Perfluorinated Chemicals (PFCs), Perfluorobutane sulfonate (PFBS), Perfluorohexane sulfonate (PFHxS), Perfluorohexanoic acid (PFHxA), Perfluorooctanoic acid (PFOA) also known as C8, Perfluorooctane sulfonate (PFOS), Perfluoronoanoic acid (PFNA), Perfluorodecanoic acid (PFDA), 8+2 Fluorotelomer alcohol 8:2 FTOH;

2. Perfluoroalkyl acids (PFAAs), PFCAs (Per-polyfluoroalkyl carboxylic acids,) PFSAs (Per-polyfluoroalkane sulfonic acids,) PFPAs (Per-polyfluoroalkyl phosphonic acids), PFPIAs (Per-polyfluoroalkyl phosphinic acids);

3. All Fluoropolymers, including but not limited to: PTFE (Polytetrafluoroethylene), PVDF (Polyvinylidene fluoride), FEP (Fluorinated ethylene propylene), and FPA (Perfluoroalkoxyl polymer);

4. Per- and polyfluoroalkyl iodides (PFAI), including but not limited to FTI (Fluorotelomer iodides) and FT-derivatives;

5. All Per- and polyfluoroalkyl ethers (PFPE), and PFPE-based derivatives, including but not limited to polyfluoroalkyl ether carboxylic acids (PFECA);

6. Per- and polyfluoroalkane sulfonyl fluoride (PASF), and PASF-based derivatives;

7. All Side-Chain Fluorinated Polymers, including but not limited to: Fluorinated (meth) acrylate polymers, Fluorinated urethane polymers, Fluorinated oxetane polymers, and;

8. All Perfluoropolyethers.

This exclusion applies regardless of whether PFAS are the initial precipitating cause or are in any way a cause of any claim, suit, loss, injury, damage, cost or expense and regardless of whether any other actual or alleged cause contributed concurrently, proximately, or in any other sequence to such claim, suit, loss, injury, damage, cost or expense, including regardless of whether any actual or alleged claim, suit, loss, injury, damage, cost or expense arises out of a chain of events that includes PFAS. This exclusion includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor, contain, test for or in any way respond to or assess the effect of any PFAS. This exclusion applies regardless of whether contamination is traditional or non-traditional, and regardless of intent. This exclusion applies regardless of any provision in the policy to the contrary.

If Insurers allege that this exclusion applies to any claim under this Policy, the burden of proving the contrary shall be upon the Insured.

CUMIS SPECIALTY INSURANCE COMPANY

POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HIRED AUTO AND NON-OWNED AUTO LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Insurance is provided only with respect to those coverages for which a specific premium charge is shown:

Coverage	**Additional Premium**
Non-Ownership Liability	$ Included
Hired Auto Liability	$ Included

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

HIRED AUTO LIABILITY
The insurance provided under **COVERAGE A (Section I)** applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your employees in the course of your business.

With respect to the insurance provided by this endorsement:

1. The exclusions, under **COVERAGE A (Section I)**, other than exclusions **a.**, **b.**, **d.**, **f.,** and **i.** and the **Nuclear Energy Liability Exclusion (Broad Form)** are deleted and replaced by the following:

a. "Bodily injury:"

(1) To an employee of the insured arising out of and in the course of employment by the insured; or

(2) To the spouse, child, parent, brother or sister of that employee as a consequence of **(1)** above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of injury.

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This exclusion does not apply to:

(1) Liability assumed by the insured under an “insured contract”, or

(2) “Bodily injury” arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.

b. “Property damage” to:

(1) Property owned or being transported by, or rented or loaned to the insured; or

(2) Property in the care, custody or control of the insured.

2. WHO IS AN INSURED (Section II) is replaced by the following:

Each of the following is an insured under this insurance to the extent set forth below:

a. You;

b. Any other person using a ‘hired auto” with your permission;

c. With respect to a “non-owned auto,” any partner or executive office of yours but only while such “non-owned auto” is being used in your business.

d. Any other person or organization, but only with respect to their liability because of acts or omissions of an insured under **a.**, **b.**, or **c.** above.

None of the following is an insured:

a. Any person engaged in the business of his or her employer with respect to “bodily injury” to any co-employee of such person injured in the course of employment;

b. Any partner or executive officer with respect to any “auto” owned by such partner or officer or a member of his or her household.

c. Any person while employed in or otherwise engaged in duties in connection with an “auto business,” other than an “auto business” you operate;

d. The owner or lessee (of whom you are a sublessee) or a “hired auto” or the owner of a “non-owned auto” or any agent or employee of such owner or lessee;

e. Any person or organization with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

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NON-OWNED LIABILITY

The insurance provided **COVERAGE A (Section I)** applies to “bodily injury” or “property damage” arising out of the use of any “non-owned auto” in your business by any person other than you.

The following additional definitions apply:

“Auto business” means the business or occupation of selling, repairing, servicing, storing or parking “autos.”

“Hired auto” means any “auto” you lease, hire, or borrow. This does not include any “auto” you lease, hire, or borrow from any of your employees or members of their households, or from any partner or executive officer of yours.

“Non-owned auto” means any “auto” you do not own, lease, hire or borrow which are used in connection with your business. However, if you are a partnership a “non-owned auto” does not include any auto owned by any partner.

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CUMIS SPECIALTY INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - COMMUNICABLE DISEASE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

In consideration of the premium charged, it is agreed that:

A. The following exclusion is added to Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;

b. Testing for a communicable disease;

c. Failure to prevent the spread of the disease; or

d. Failure to report the disease to authorities.

B. The following exclusion is added to Paragraph **2**. **Exclusions** of Section **I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;

b. Testing for a communicable disease;

c. Failure to prevent the spread of the disease; or

d. Failure to report the disease to authorities.

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CONDOMINIUM DIRECTORS, OFFICERS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY

THIS POLICY PROVIDES CLAIMS MADE AND REPORTED COVERAGE.

DEFENSE EXPENSE IS SUBJECT TO THE DEDUCTIBLE

PLEASE CAREFULLY READ THIS POLICY TO DETERMINE YOUR RIGHTS, DUTIES, COVERAGE AND COVERAGE RESTRICTIONS. THIS POLICY HAS BEEN ISSUED BY BASED UPON YOUR COMPLETION OF AND YOUR REPRESENTATIONS WITHIN THE APPLICATION. THE APPLICATION IS ATTACHED TO AND BECOMES A PART OF THIS POLICY.

THERE IS NO DUTY TO PROVIDE COVERAGE UNLESS YOU HAVE FULLY COMPLIED WITH ALL THE CONDITIONS IN **SECTION V – CONDITIONS** OF THIS POLICY.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. These words also refer to any other person or organization that qualifies as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance. The word "insured" means any person or organization that qualifies under **SECTION II -- WHO IS AN INSURED**.

Words and phrases that appear in quotation marks have special meaning and are defined under **SECTION VII – DEFINITIONS** of this policy.

SECTION I – COVERAGE

In consideration of your payment of premium and reliance of your representations made to us in the application for this insurance, subject to the Limits of Insurance shown in the Declarations and all the exclusions, terms and conditions of this policy, we agree with you to the following:

1. Insuring Agreement

a. We will pay those sums that you become legally obligated to pay for “damages” that are in excess of the deductible shown in the Declarations and that arise out of any “claim” for "wrongful acts" including “Wrongful Employment Practices” that are first made during the policy period. We have no obligation under this insurance to make payments or perform acts or services except as provided for in this paragraph and in Paragraph **2. Defense Of Claims** below.

b. This policy only applies to “damages” if:

(1) The “wrongful act” takes place within the "coverage territory;” and

(2) A "claim" is:

(a) First made against any insured, in accordance with paragraph **1.d.** below, during the policy period or any Extended Reporting Period , as provided within **Section VI - EXTENDED REPORTING PERIODS** of this policy; and

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(b) Reported to us:

(i) During the policy period or during the thirty (30) days immediately following the policy period's expiration; or

(ii) With respect to any "claim" first made during any Extended Reporting Period we provide under this policy's **Section VI -EXTENDED REPORTING PERIODS**, during such Extended Reporting Period.

c. We will consider a "claim" to have been made at the earlier of the following times:

(1) When notice of the "claim" is received and recorded by you or by us, whichever comes first; or

(2) When we have made a settlement in accordance with paragraph **2.a.** below.

d. All "claims" by one or more claimants for "damages" based on or arising out of, directly or indirectly resulting from, having a common link with, or in any way involving:

(1) A single "wrongful act"; or

(2) An "interrelated" series of "wrongful acts" by one or more insureds

shall be deemed to be one "claim" and will be subject to one Each "Claim" limit. We will consider the "claim" to have been made at the time the first of such "claims" is made against any insured and subject to one Each "claim" limit.

Payments made for "damages" reduce the amount of insurance available, as provided under **SECTION III - LIMITS OF INSURANCE.**

2. Defense Of Claims

a. We will have the right and duty to defend "claims" against the insured seeking "damages" to which this insurance applies even if the allegations are false, fraudulent or groundless and to pay for related "defense expense". However, when this insurance does not apply, then we have no duty to defend "claims" against the insured seeking "damages" or to pay any related "defense expense".

At our sole discretion, we have the right to investigate and settle any "claim". If we recommend a settlement and you refuse to consent thereto, our liability for such "claim" is limited to the amount in excess of the "retention" which we would have contributed to the settlement, the "defense expense" covered by this policy and incurred prior to the date of such refusal to settle, and fifty percent (50%) of any additional covered loss, including "defense expense", incurred subsequent to such refusal and subject to the limit of insurance.

b. Our right and duty to defend "claims" ends when we have used up the limit of insurance available, as provided under **SECTION III - LIMITS OF INSURANCE**. This applies both to "claims" pending at that time and those filed afterwards.

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c. **(1)** When we control defense of a "claim", we will pay associated "defense expense" and choose a counsel of our choice, who will be picked from a panel of our previously selected attorneys to deal with “claims”.

However, if you give us a specific written request at the time a “claim” is first made:

(a) We will allow you to select one of our panel of attorneys; or

(b) You may ask us to consider the approval of a defense attorney of your choice that is not on our panel of attorneys.

As soon as we deem it appropriate to engage counsel for any such “claim”, we will use the panel attorney you selected in **(a)** above or consider your request in **(b)** above

(2) If by mutual agreement or court order the insured assumes control of such defense before the applicable limit of insurance is exhausted, we will reimburse the insured for reasonable "defense expense", subject to **c.(3)** below.

(3) If we defend you and any other insured under a reservation of rights, both your and our counsel(s) will be required to maintain records pertinent to "defense expense". These records will be used to determine the allocation of any "defense expense" for which you may be solely responsible, including defense of an allegation not covered by this insurance.

d. We will only pay for “damages” or “defense expense” in excess of the Deductible. All such payments, except the payment of “defense expense” will reduce the Limit of Insurance available, as provided under **SECTION III - LIMITS OF INSURANCE.**

e. You agree not to settle any “claim”, incur any “defense expense”, assume any contractual obligations or admit any liability with respect to any “claim” without our written consent, such consent not to be unreasonably withheld. We shall not be liable for any admission of liability, “defense expense”, assumed obligation or agreement to settle without our written prior consent.

f. You agree to fully cooperate with us and to provide any information reasonably requested by us. Also, in the event of a “claim”, you agree not to do anything that may prejudice our position or our potential or actual rights of recovery.

3. EXCLUSIONS

This policy does not provide coverage for any "claims" arising directly or indirectly from any:

a. “Wrongful act” that is known by the insured to be subject of a suit, demand or proceeding that was initiated before the effective date of the first policy of this type that we issued to you of which this policy was an uninterrupted renewal of this type of coverage or this policy, whichever is first.

b. Facts and circumstances which would cause a reasonable person to believe that they would result in a “claim” being made and which were known to any insured before the effective date of the first policy of this type that we issued to you of which this policy was an uninterrupted renewal of this type of coverage or this policy, whichever is first.

c. “Wrongful act” committed with insured knowing that it was wrongful.

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d. Liability under or breach of any oral, written, or implied contract or agreement, or any liability of others assumed by the Insured under any such contract or agreement. This exclusion, however, does not apply to:

(1) Our duty to defend and pay any "defense expense" regarding such "Claim";

(2) The extent the Insured would have been liable if there was no such contract or agreement; or

(3) The extent that the "Claim" is for "Wrongful Employment Practices".

e. Obligation of the insured under the following laws:

(1) Any workers compensation, disability benefits, unemployment compensation law, or other similar law;

(2) The Employees' Retirement Income Security Act of 1974, Public Law 93-406, (E.R.I.S.A.) as now or hereafter amended or any other state or governmental law that is similar. This includes fiduciary liability, employee benefits liability and any other liability under any such laws.

(3) The Fair Labor Standards Act, or any state or common law wage or hour law, including, but not limited to laws governing minimum wages, number of hours worked, overtime compensation, and any recordkeeping and reporting related thereto. This exclusion includes actions or "claims" brought by or on behalf of individuals or agencies seeking wages, fines, penalties, taxes, disgorgement or other affirmative relief or compensation, but does not include "claims" based on the Equal Pay Act or retaliation related to the equal pay act.

(4) The National Labor Relations Act, The Worker Adjustment and Retraining Notification Act (Public law 100-379), the Consolidated Omnibus Reconciliation Act of 1985, or the occupational Safety or Health Act.

This exclusion **e. (1)** – **(4)** also applies to any rules or regulations promulgated under any of the forgoing and amendments thereto or any similar provisions of any federal, state or local law, and to that part of any "damages" awarded for the cost or replacement of any insurance benefits due or alleged to be due to any current or former "employee"

f. Oral or written publication of material, if such material:

(1) Was published by or at the direction of the insured with the insured knowing that the material was false; or

(2) Was first published before the Retroactive Date, if such date is shown in the Declarations.

g. Dishonest, criminal or fraudulent acts that are committed by the insured or the willful failure, by the insured or others with the insured's consent, to comply with any law, governmental or administrative order or regulation.

For the purposes of this exclusion, willful means acting with intentional or reckless disregard for such laws, orders or regulations. However this exclusion **g.** will not apply unless a judgment or other final adjudication adverse to the insured establishes a deliberately dishonest or fraudulent act or omission of intentional violation.

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h. This insurance does not apply to “claims” arising directly or indirectly based on or:

(1) resulting from or arising out of any claims for Bodily injury, sickness, mental anguish, disease, emotional distress or death or any person, except that this exclusion shall not apply to allegations of emotional distress or mental anguish arising out of a claim for “wrongful employment practices”.

(2) arising out of any damage, destruction, deterioration or loss of use of any tangible property as a result of windstorm, flood, or earthquake; or including but not limited to, construction defects whether or not a result of faulty or incorrect design or architectural plans, improper soil testing, inadequate or insufficient protection from soil or other ground water movement, soil subsidence, toxic mold, mold, mildew, spores, fungus either wet or dry or the supervision of actual construction, assembly or manufacturing of any tangible property.

i. Failure to maintain windstorm, flood or earthquake insurance coverage, however, this exclusion shall not apply to the Insurer’s duty to defend and to pay “defense expense”.

j. “Wrongful acts” which occur on or after the date:

(1) You file for or are placed in any bankruptcy, receivership, liquidation or reorganization proceeding; or

(2) Any entity acquires a more than fifty percent (50%) ownership interest in you.

k. “Damages” which you must pay as a result of a “claim” brought about or contributed to in fact by the gaining by such insured of any profit, compensation or advantage to which such insured is not legally entitled.

l. Actual, alleged or threatened:

(1) Discharge, dispersal, disposal, emission, escape, exposure to; or

(2) Generation, release, removal, storage, transportation, or treatment of

any acids, alkalis, fumes, odor, smoke, soot, toxic chemicals, gases or liquids, vapors, waste materials (including materials which have been recycled, reconditioned or reclaimed or which are intended to be recycled, reconditioned or reclaimed) mold, asbestos or other irritants, pollutants or contaminants; or

(3) Direction, order, regulation, or request made to any insured or others to clean up, contain, detoxify, monitor, neutralize, remove, test, or treat for any of the pollutants or contaminants listed in the above paragraph, or any action taken in contemplation or anticipation of any such direction, order, regulation, or request.

m. Rendering of or failure to render professional services by or for any insured.

n. “Wrongful act” that violates the federal Securities Act of 1933 or Securities Exchange Act of 1934 or state blue sky laws or any other similar state securities law, including rules or regulations promulgated under any of the aforesaid laws, regardless of whether such violation results in imposition of criminal fines or penalties or the award of civil damages.

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o. Cost of complying with physical alterations or modifications to your premises or any changes to your usual business operations mandated by the Americans With Disabilities Act of 1990, including any amendment thereto, or any similar federal, state or local laws.

p. Lockout, strike, picket line, related worker replacement(s) or similar actions resulting from labor disputes or labor negotiations.

q. "Wrongful act" which is alleged to have occurred in conjunction with the conversion of real estate property which changes the character of property interest ownership in the real estate from apartment ownership, possessory interests ownership, leasehold interests ownership, or cooperative interest ownership to a condominium ownership.

r. "Wrongful act" committed by you in your role as a realtor, builder or developer arising directly or indirectly from your involvement in the construction, design, financing, engineering, development, planning, advertising or marketing of condominium property.

SECTION II - WHO IS AN INSURED

1. You and all those qualifying under Paragraphs **2.** and **3.** below are insureds under this policy.

2. Insured includes:

a. Any current, past or future duly elected or appointed directors, officers or trustees;

b. Employees or members of current, past of future duly constituted commissions, boards or other units if operated under your charter with your prior written approval;

c. Person serving as a director or officer of another current, past or future nonprofit or not for profit organization, but only if such person is serving as such at your express written direction;

d. Estate, heir, legal representative or assigns of deceased persons who were insureds at the time any "wrongful act" occurred upon which a "claim" is based;

e. An insured's legal representation or assignment in the event of such insured person's incompetence, insolvency or bankruptcy;

f. Lawful spouse of an insured under paragraphs **2.a. – 2.e.** above, but only due to such spouse's status as a spouse or such spouse's ownership interest in property which the claimant seeks as recovery for any alleged "wrongful act"

g. Any individuals who were, now are, or shall be serving as volunteers or committee members;

h. Any individuals who were, now are, or shall be directors, trustees, officers, employees, volunteers or staff members of any property manager, but only if they are acting within the duties of their employment with the Property Manager and on behalf of the Insured.

3. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. You must provide us written notice within 30 days of the effective date of such acquisition or formation;

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b. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever first occurs;

c. Coverage does not apply to any "wrongful act" that occurred before you acquired or formed the organization; and

d. You must pay us any additional premium due as a condition precedent to the enforceability of this additional extension of coverage.

This Paragraph **3.** does not apply to any organization shown in the Declarations or that has been added to this policy by endorsement.

SECTION III - LIMITS OF INSURANCE

1. The limits of insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds or

b. Persons or organizations making “claims”.

2. The Policy Aggregate Limit is the most we will pay for the sum of all “damages” for all “claims” arising out of any actual or alleged “wrongful acts” covered by this policy.

Each payment we make for such “damages” reduces the Policy Aggregate Limit by the amount of the payment. This reduced limit will then be the remaining amount of insurance available for further “damages” and “defense expense” under this policy.

Amounts incurred as “defense expense” shall be in addition to the limit of insurance.

3. Subject to the above Paragraph **2.**, the amount of insurance stated as the Each “Claim” Limit of Insurance is the most we will pay in excess of the Deductible as further described in **SECTION IV - DEDUCTIBLE** for the sum of:

a. All “damages” for injury arising from “wrongful acts” covered by policy arising out of any one “claim”; and

b. All “defense expense” associated with the “claim” described in the above Paragraph **3.a.**

4. In addition to paying for any “damages” and “defense expense” described in Paragraphs **2.** and **3.** above, we will pay any interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the amount available for such judgment under the provisions of Paragraphs **2.** and **3.** above.

The Limits of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations. However, if the policy period is extended after issuance for an additional period of less than 12 months, then the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

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SECTION IV - DEDUCTIBLE

1. A separate deductible applies to all “damages” and related "defense expense" arising from any one “claim”.

2. Our obligation to pay “damages” and "defense expense" on behalf of any insured applies only to the sum of the amount of “damages” and "defense expenses" for each "claim” that is in excess of the deductible amount stated in the Declarations.

3. You must pay the deductible amount applicable to each "claim" made against this insurance. The deductible applies to the sum of all “damages” and "defense expense" paid for each "claim" arising from a "wrongful act". In the case where there are no “damages” paid for a "claim", you still must pay the deductible for any "defense expense" incurred by us in connection with such "claim".

4. All terms of this insurance apply regardless of the application of the deductible, including any conditions with respect to:

a. Our right and duty to defend any "claims"; and

b. You or any insured’s duties in the event of a "claim".

5. We may pay any part or all of the deductible to effect settlement of any "claim" and, upon notification of the action taken; you shall promptly reimburse us for such part of the deductible as we may have paid as either “damages” or "defense expense".

6. Deductible amounts do not erode the Limits of Insurance provided.

SECTION V - CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this policy.

2. Cancellation

a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us written advance notice of cancellation.

b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 45 days before the effective date of cancellation if we cancel for any other reason.

c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

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e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

f. If notice is mailed, proof of mailing will be sufficient proof of notice.

3. Changes

This policy contains all agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

4. Duties in Event of "Wrongful Acts" or "Claims"

a. You must see to it that we are notified as soon as practicable of any "wrongful acts" which may result in a "claim". Your belief that such “wrongful act” may result in a “claim” must be reasonably certain as the result of specific allegations made by a potential claimant or such potential claimant's legal representative, or as the result of specifically identifiable injury sustained by a potential claimant. To the extent possible, notice should include:

(1) How, when and where such "wrongful act" took place;

(2) The names and addresses of any individuals who are potential claimants and witnesses; and

(3) The nature of any injury resulting from such "wrongful act".

Notice of such "wrongful act" is not the same as notice of a "claim", but such notice preserves the rights of any insured to future coverage for "claims" that may be presented subsequent to, and alleged to have arisen out of, such "wrongful acts". These rights are described under the **Basic Extended Reporting Period** paragraph of **Section VI - EXTENDED REPORTING PERIODS.**

b. If any insured receives a "claim":

(1) You must immediately record the specifics of the "claim" including date of receipt of such “claim”; and

(2) You and any other involved insured must make sure that we receive written notice of the "claim" as soon as practicable, but in any event we must receive notice either:

(a) During the policy period or within thirty (30) days immediately thereafter; or

(b) During the Extended Reporting Period, in regards to a “claim” first made during any Extended Reporting Period we provide under **Section VI -EXTENDED REPORTING PERIODS**.

Timely notice of a “claim” is a condition precedent for coverage under this insurance. Such notice must provide us with the same information as is required in the immediately above paragraph **4.a.**; and

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(3) You and any other involved insured must:

(a) Immediately send to us copies of demands, notices, summonses or legal papers received by you that are connected to such "claim";

(b) Provide us with the authorization to obtain records and other any other information;

(c) Cooperate with us throughout the investigation and settlement or defense of the "claim"; and

(d) If requested, provided us with any assistance in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

c. Unless at their own cost, no insureds will voluntarily make a payment, assume any obligation, or incur any expense without our consent.

5. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years after this policy's expiration date.

6. Inspections and Surveys

We have the right to:

a. Make inspections and surveys at any time;

b. Give you reports on the conditions we find; and

c. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. Nor do we warrant that conditions:

a. Are safe or healthful; or

b. Are in compliance with any past, present or future laws, regulations, codes or standards as they relate to the purpose of this or any other insurance.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization that makes insurance inspections, surveys, reports or recommendations on our behalf.

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7. Legal Action Against Us

No person or organization has a right under this Policy:

a. To join us as a party or otherwise bring us into a "claim" seeking “damages” from any insured; or

b. To sue us on this Policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or a final judgment against an insured obtained after an actual trial, but we will not be liable for “damages” that are not payable under the terms of this Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

8. Other Insurance

If other valid and collectible insurance is available to the insured for “damages” or "defense expense" that are covered under this Policy, our obligations are limited as follows:

a. The obligations of this primary insurance are only affected if any of other insurance is also primary. Then, we will share with all that other insurance by the method described in **8.b.** below.

b. If all of the other insurance permits contribution by equal shares, then this is the method we will follow. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, then we will contribute by limits. This method requires that each insurer's share be based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

9. Payment of Premiums and Deductible Amounts

a. We will compute all premiums for this insurance in accordance with the corresponding rates and rules; and

b. The first Named Insured shown in the Declarations is responsible for the payment of all premiums and deductible payments due and will be the payee for any return premiums that are paid by us.

10. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete; and

b. Those statements are based upon representations you made to us in your application for this insurance. That application, on file with the company, forms the basis of our obligations under this policy; and

c. As we have issued this policy in reliance upon your representations, this policy may be voided in the event of any material fact or circumstance relating to the subject of this insurance is omitted or misrepresented in your application.

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11. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Policy to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom "claim" is made.

No knowledge or information possessed by any insured will be assigned to any other insured, except for material facts or information known to the person or persons who signed your application for this insurance.

12. Sole Agent

The first Named Insured is authorized to act on behalf of any insured(s) in regards to the payment of premiums and deductibles, giving or receiving notice of cancellation or nonrenewal, receiving premium refunds, requesting any Supplemental Extended Reporting Period and agreeing to any changes in this policy.

13. Transfer of Rights of Recovery Against Others To Us

If any insured has rights to recover all or part of any payment we have made under this Policy those rights are transferred to us. No insured shall do anything after loss to impair our rights. At our request, the insured will sue those responsible or transfer such rights to us and help us enforce them.

14. Transfer of Your Rights and Duties Under This Policy

Unless you have received our prior written consent, you rights and duties under this policy may not be transferred.

15. When We Do Not Renew

If we decide not to renew this insurance, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 45 days before the expiration date. If notice is mailed, proof of mailing will be sufficient proof of notice.

16. Liberalization

If we adopt any revision that would broaden the coverage under this coverage without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this coverage.

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SECTION VI - EXTENDED REPORTING PERIODS

1. You have the right to purchase Extended Reporting Periods, as described below, if:

a. This Policy is cancelled or not renewed; or

b. We renew or replace this Policy with insurance that:

(1) Has a Retroactive Date later than the date shown in the Declarations of this Policy; or

(2) Does not apply on a claims-made basis.

2. Extended Reporting Periods do not extend the policy period, do not reinstate or increase the Limits of Insurance, and they do not change the scope of coverage provided under this policy. They apply only to "claims" as the result of “wrongful acts” which occurred after the Retroactive Date, if any, shown in the Declarations and before the end of the policy period. Once in effect, Extended Reporting Periods may not be cancelled.

3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for:

a. Five (5) years with respect to "claims" arising out of “wrongful acts” which were properly reported to us not later than the end of the policy period in accordance with paragraph **4.a.** of Duties in the Event of “wrongful acts” or "claims", in **SECTION V – CONDITIONS**; and

b. Sixty (60) days with respect to "claims" arising from “wrongful acts” not previously reported to us.

The Basic Extended Reporting Period does not apply to "claims" covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance that otherwise would be applicable to such claims.

4. A Supplemental Extended Reporting Period of either twelve (12) months or thirty-six (36) months is available, but only by endorsement and for an extra charge.

The Supplemental Extended Reporting Period you select starts when the Basic Extended Reporting Period, set forth in the above Paragraph **3.b.**, ends. You must give us a written request for the endorsement, and its length, within 30 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium when due. We will determine such additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

a. Exposures insured;

b. Previous types and amounts of insurance;

c Limits of Insurance available under this Policy for future payment of “damages” or “defense expense”; and

d. Other related factors.

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The additional premium to be charged will not exceed 200% of the annual premium for this Policy.

The Supplemental Extended Reporting Period Endorsement we issue will set forth terms consistent with this Section. The endorsement will include a provision that any insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period begins.

SECTION VII - DEFINITIONS

1. **"Bodily injury"** means physical injury to the body, sickness or disease sustained by a person as the result of direct physical injury to the body, including death resulting from any of these at any time.

2. **"Claim"** means a:

   a. Written demand for monetary damages or non-monetary relief;

   b. Civil proceeding, including any arbitration or alternative dispute the insured submits to with our consent, commenced by service of a complaint or similar pleading in which “damages” are claimed or alleged;

   c. A criminal proceeding commenced by the return of an indictment; or

   d. A formal administrative or regulatory proceeding commenced by the filing of charges, formal investigative order or similar document;

   Against an insured for a “wrongful act”, including an appeal there from.

3. **"Condominium"** means:

   An incorporated not-for-profit association of multi-unit property owners with individual ownership in fee of single units and tenancy in common of shared areas including, but not limited to, elevators, grounds, parking areas, roads, or sidewalks. This definition also includes administrative, maintenance or recreational facilities.

4. **"Coverage territory"** means:

   a. Anywhere in the world with respect to the activities of any insured working for you whose place of employment is in the United States of America (including its territories and possessions) or Puerto Rico while such insured is away from that place of employment for a short time on your business provided that such insured’s responsibility to pay “damages” is determined in a suit (or other civil proceeding included in the definition of “claim”) on the merits in, and under the substantive law of, the United States of America (including its territories and possessions) or Puerto Rico; or

   b. The United States of America (including its territories and possessions) or Puerto Rico.

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5. **"Damages"** means monetary and non-monetary amounts to which this insurance applies and which the insured is legally obligated as to judgments, awards or settlements to which we have agreed in writing.

   “Damages” include:

   a. "Pre-judgment Interest" awarded against the insured related to the portion of the judgment we pay; and

   b. Law permitting, any portion of a judgment or award that represents a multiple of the compensatory amounts as punitive or exemplary damages.

   "Damages" do not include:

   a. Civil, criminal, administrative or other fines or penalties; or

   b. Judgments or awards due to acts deemed uninsurable by law

6. **"Defense expense"** means payments allocated to a specific "claim" for investigation, settlement, or defense, including:

   a. Fees of attorneys and all other litigation expenses;

   b. The cost of bonds to appeal a judgment or award in any "claim" defended by us;

   c. The cost of bonds to release attachments, but only for bond amounts within the Amount of Insurance available;

   d. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of any "claim", including actual loss of earnings up to $250 a day because of time off from work.

   e. Costs taxed against the insured in the "claim".

   We do not have to furnish the bonds described in **b.** or **c.** immediately preceding.

   "Defense expense" does not include:

   a. Salaries and expenses of our employees or your "employees", other than:

      (1) That portion of our employed attorneys' fees, salaries and expenses allocated to a specific "claim" for the defense of the insured; and

      (2) Expenses described in the immediately above Paragaraph **6.d.**;

      and

   b. Interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the amount available for the judgment under the provisions of **SECTION III – LIMITS OF INSURANCE**

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7. **"Employee"** means any person who is

   a. Employed by you for wages or salary;

   b. A current or former member of your board of directors; or

   c. A "leased worker" or "temporary worker".

   "Employee" does not include an independent contractor or an independent contractor's employee(s) while acting within the scope of their employment.

8. **"Interrelated**" means having a connection of any fact, circumstance, situation, event, transaction, cause or series of connections of related facts, circumstances, situations, events, transactions or causes.

9. "**Leased Worker"** means workers who are contracted for, from an employee leasing business on a permanent or indefinite basis. "Leased worker" does not mean "temporary worker".

10. **"Pre-judgment interest"** means interest added to a settlement, verdict, award or judgment based on the amount of time prior to the settlement, verdict, award or judgment, whether or not made part of the settlement, verdict, award or judgment.

11. **"Property damage"** means physical injury to tangible property, including all resulting loss of use of that property. Any loss of use of tangible property that is not physically injured shall also be considered "property damage".

12. **"Property Manager"** means any entity providing real estate property management services to the organization or any subsidiary pursuant to a written contract.

13. "**Temporary Worker"** means a short term employee usually hired to fill in during a regular employee's absence or for extra help.

14. **"Wrongful act"** means any:

    Actual or alleged act, breach of duty, error, omission, misleading statement or misstatement, or "Wrongful Employment Practices" attributed to:

    (1) The insured entity; and/or

    (2) Any Insured acting in their capacity with the organization or a subsidiary.

15. **"Wrongful Employment Practices"** means any of the following actual or alleged practices (i) which are directed against any or your "employees", "leased workers", "temporary workers", former "employees" or any applicant for employment by you; and (ii) for which a remedy is sought under any civil employment law whether federal, state or local and whether arising out of statutory or common law

    a. Wrongful refusal to employ a qualified applicant;

    b. Wrongful failure to promote an "employee" or deprive them of career opportunity;

    c. Wrongful demotion, negligent evaluation, negligent reassignment or wrongful discipline;

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d. Wrongful dismissal, including retaliatory or constructive discharge;

e. Employment-related misrepresentation:

f. Harassment, coercion, discrimination or humiliation due to race, color, creed, national origin, marital status, medical condition, gender, age, physical appearance, physical and/or mental impairments, pregnancy, sexual orientation or sexual preference or any other protected class or characteristic established by any applicable federal, state, or local statute; or

g. Oral or written publication of material that slanders, defames or libels, or violates or invades a right of privacy.

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POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROPERTY MANAGER ENTITY COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

CONDOMINIUM DIRECTORS, OFFICERS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY
HOMEOWNERS ASSOCIATION DIRECTORS, OFFICER AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY

In consideration of the premium charged, it is agreed that:

1. **SECTION II – WHO IS AN INSURED**, Paragraph **2.**, is amended to include the following:

   i. The Property Manager, but only if they are acting within their duties on your behalf.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCREASED CONSENT TO SETTLE CLAUSE COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

CONDOMINIUM DIRECTORS, OFFICERS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY
HOMEOWNERS ASSOCIATION DIRECTORS, OFFICER AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY

In consideration of the premium charged, it is agreed that:

1. **SECTION I – COVERAGE**, Paragraph **2. Defense Of Claims**, Subparagraph **(a).** is deleted in its entirety and replaced by:

   (a) We will have the right and duty to defend "claims" against the insured seeking "damages" to which this insurance applies even if the allegations are false, fraudulent or groundless and to pay for related "defense expenses". However, when this insurance does not apply, then we have no duty to defend "claims" against the insured seeking "damages" or to pay any related "defense expenses".

   At our sole discretion, we have the right to investigate and settle any "claim". If we recommend a settlement and you refuse to consent thereto, our liability for such "claim" is limited to the amount in excess of the "retention" which we would have contributed to the settlement, the "defense expense" covered by this policy and incurred prior to the date of such refusal to settle, and seventy percent (70%) of any additional covered loss, including "defense expense", incurred subsequent to such refusal and subject to the limit of insurance.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BODILY INJURY / PHYSICAL DAMAGE EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

CONDOMINIUM DIRECTORS, OFFICERS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY
HOMEOWNERS ASSOCIATION DIRECTORS, OFFICER AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY

In consideration of the premium charged, it is agreed that:

1. **SECTION I – COVERAGE**, Paragraph **3.**, **Exclusions**, Subparagraph **h.** is deleted in its entirety and replaced by:

   h. **(1)** bodily injury, sickness, mental anguish, humiliation, emotional distress, disease or death of any person, false arrest or imprisonment, invasion of privacy, assault, or battery, except that this exclusion shall not apply to allegations of emotional distress or mental anguish arising out of a claim for "wrongful employment practices"; or,

   (2) damage to or destruction of any tangible property, including the loss of its use, whether or not it is damaged or destroyed.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CATASTROPHIC EVENT PREPAREDNESS AND RESPONSE EXCLUSION

This endorsement modifies insurance provided under the following:

CONDOMINIUM DIRECTORS, OFFICERS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY
HOMEOWNERS ASSOCIATION DIRECTORS, OFFICER AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY

In consideration of the premium charged, it is agreed that:

1. **SECTION I – COVERAGE**, Paragraph **3.**, **EXCLUSIONS**, is amended to include the following:

   Actual or alleged failure or omission on the part of any "insured" to:

   (1) upgrade any building to code as required by federal, state or local rules and regulations in order to mitigate loss in preparation for any actual or potential "catastrophic event";

   (2) have an effective emergency response plan in place for a "catastrophic event"; and

   (3) mitigate or repair damage after a "catastrophic event", which results in further loss.

2. For the purposes of this endorsement, the following definition is added:

   "Catastrophic event" means any natural incident, including floods, windstorms or earthquakes, which results in extraordinary levels of mass casualties, damage, or disruption severely affecting the population, infrastructure, environment, economy, national morale, and/or government functions.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FAILURE TO OBTAIN OR MAINTAIN INSURANCE EXCLUSION

(WITH DEFENSE EXPENSE CARVEBACK)

This endorsement modifies insurance provided under the following:

CONDOMINIUM DIRECTORS, OFFICERS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY
HOMEOWNERS ASSOCIATION DIRECTORS, OFFICER AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY

In consideration of the premium charged, it is agreed that:

SECTION I – COVERAGE, Paragraph **3.**, **EXCLUSIONS**, Subparagraph **i.** is deleted in its entirety and replaced by:

i. Actual or alleged:

(1) negligent act, error, omission or breach of duty in judgment or discretion in procuring and maintaining insurance, or

(2) failure or omission in effecting and maintaining insurance, or

(3) negligent act, error, omission or breach of duty with respect to the amount, form, conditions or provisions of insurance,

however, this exclusion shall not apply to the Insurer's duty to defend and to pay "defense expense".

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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CUMIS SPECIALTY INSURANCE COMPANY

POLICY NUMBER: CIUHOA100191-05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTINUITY OF COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

CONDOMINIUM DIRECTORS, OFFICERS AND EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY
HOMEOWNERS ASSOCIATION DIRECTORS, OFFICERS AND EMPLOYMENT PRACTICES LIAIBILITY INSURANCE POLICY

1. Section **3. EXCLUSIONS**, paragraph **a.** is deleted in its entirety and replaced with the following:

a. "Wrongful act" which was the subject of any demand, suit, or other proceeding that was initiated with an insured's knowledge; or before the effective date of

(1) the first coverage of this type that was issued to you provided that you have had continuous coverage of this type written for you from such date to the effective date of this policy; or

(2) this policy

whichever comes first.

2. Section **3. EXCLUSIONS**, paragraph **b.** is deleted in its entirety and replaced with the following:

b. Facts and circumstances which would result in a reasonable person concluding that a "claim" would be made and which was known to any insured before the effective date of

(1) the first coverage of this type that was issued to you provided that you have had continuous coverage of this type written for you from such date to the effective date of this policy; or

(2) this policy

whichever comes first.

All other terms and conditions of this policy remain unchanged. This endorsement is part of your policy and takes effect on the effective date of your policy unless another effective date is shown.

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COMMERCIAL CRIME COVERAGE FORM (DISCOVERY FORM)

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is or is not covered.

Throughout this Policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F.** Definitions.

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which a Limit Of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place at any time which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition **E.1.g.:**

1. Employee Theft

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

2. Forgery Or Alteration

a. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

(1) Made or drawn by or drawn upon you; or

(2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

b. If you are sued for refusing to pay any instrument covered in Paragraph **2.a.,** on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay for such legal expenses is in addition to the Limit of Insurance applicable to this Insuring Agreement.

3. Inside The Premises – Theft Of Money And Securities

We will pay for:

a. Loss of "money" and "securities" inside the "premises" or "financial institution premises":

(1) Resulting directly from "theft" committed by a person present inside such "premises" or "financial institution premises"; or

(2) Resulting directly from disappearance or destruction.

b. Loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if you are the owner of the "premises" or are liable for damage to it.

c. Loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the "premises" resulting directly from an actual or attempted "theft" of, or unlawful entry into, those containers.

4. Inside The Premises – Robbery Or Safe Burglary Of Other Property

We will pay for:

a. Loss of or damage to "other property":

(1) Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or

(2) Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".

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b. Loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if you are the owner of the "premises" or are liable for damage to it.

c. Loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

5. Outside The Premises

We will pay for:

a. Loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.

b. Loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".

6. Computer And Funds Transfer Fraud

a. We will pay for:

(1) Loss resulting directly from a fraudulent:

(a) Entry of "electronic data" or "computer program" into; or

(b) Change of "electronic data" or "computer program" within;

any "computer system" owned, leased or operated by you, provided the fraudulent entry or fraudulent change causes, with regard to Paragraphs **6.a.(1)(a)** and **6.a.(1)(b):**

(i) "Money", "securities" or "other property" to be transferred, paid or delivered; or

(ii) Your account at a "financial institution" to be debited or deleted.

(2) Loss resulting directly from a "fraudulent instruction" directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that account.

b. As used in Paragraph **6.a.(1),** fraudulent entry or fraudulent change of "electronic data" or "computer program" shall include such entry or change made by an "employee" acting, in good faith, upon a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a "computer system" covered under this Insuring Agreement.

7. Money Orders And Counterfeit Money

We will pay for loss resulting directly from your having, in good faith, accepted in exchange for merchandise, "money" or services:

a. Money orders issued by any post office, express company or "financial institution" that are not paid upon presentation; or

b. "Counterfeit money" that is acquired during the regular course of business.

B. Limit Of Insurance

The most we will pay for all loss resulting directly from an "occurrence" is the applicable Limit Of Insurance shown in the Declarations.

If any loss is covered under more than one Insuring Agreement or coverage, the most we will pay for such loss shall not exceed the largest Limit of Insurance available under any one of those Insuring Agreements or coverages.

C. Deductible

We will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.

D. Exclusions

1. This insurance does not cover:

a. Acts Committed By You, Your Partners Or Your Members

Loss resulting from "theft" or any other dishonest act committed by:

(1) You; or

(2) Any of your partners or "members";

whether acting alone or in collusion with other persons.

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b. Acts Committed By Your Employees Learned Of By You Prior To The Policy Period

Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this insurance and you or any of your partners, "members", "managers", officers, directors or trustees, not in collusion with the "employee", learned of such "theft" or dishonest act prior to the Policy Period shown in the Declarations.

c. Acts Committed By Your Employees, Managers, Directors, Trustees Or Representatives

Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:

(1) Whether acting alone or in collusion with other persons; or

(2) While performing services for you or otherwise;

except when covered under Insuring Agreement **A.1.**

d. Confidential Or Personal Information

Loss resulting from:

(1) The disclosure or use of another person's or organization's confidential or personal information; or

(2) The disclosure of your confidential or personal information. However, this Paragraph **1.d.(2)** does not apply to loss otherwise covered under this insurance that results directly from the use of your confidential or personal information.

For the purposes of this exclusion, confidential or personal information includes, but is not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

e. Data Security Breach

Fees, costs, fines, penalties and other expenses incurred by you which are related to the access to or disclosure of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

f. Governmental Action

Loss resulting from seizure or destruction of property by order of governmental authority.

g. Indirect Loss

Loss that is an indirect result of an "occurrence" covered by this insurance including, but not limited to, loss resulting from:

(1) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property";

(2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance; or

(3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

h. Legal Fees, Costs And Expenses

Fees, costs and expenses incurred by you which are related to any legal action, except when covered under Insuring Agreement **A.2.**

i. Nuclear Hazard

Loss or damage resulting from nuclear reaction or radiation or radioactive contamination, however caused.

j. Pollution

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

k. Virtual Currency

Loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

l. War And Military Action

Loss or damage resulting from:

(1) War, including undeclared or civil war;

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(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

2. Insuring Agreement **A.1.** does not cover:

a. Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

(1) An inventory computation; or

(2) A profit and loss computation.

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.

b. Trading

Loss resulting from trading, whether in your name or in a genuine or fictitious account.

c. Warehouse Receipts

Loss resulting from the fraudulent or dishonest signing, issuing, cancelling or failing to cancel, a warehouse receipt or any papers connected with it.

3. Insuring Agreements **A.3., A.4.** and **A.5.** do not cover:

a. Accounting Or Arithmetical Errors Or Omissions

Loss resulting from accounting or arithmetical errors or omissions.

b. Exchanges Or Purchases

Loss resulting from the giving or surrendering of property in any exchange or purchase.

c. Fire

Loss or damage resulting from fire, however caused, except:

(1) Loss of or damage to "money" and "securities"; and

(2) Loss from damage to a safe or vault.

d. Money Operated Devices

Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

e. Motor Vehicles Or Equipment And Accessories

Loss of or damage to motor vehicles, trailers or semitrailers or equipment and accessories attached to them.

f. Transfer Or Surrender Of Property

(1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "financial institution premises":

(a) On the basis of unauthorized instructions; or

(b) As a result of a threat including, but not limited to:

(i) A threat to do bodily harm to any person;

(ii) A threat to do damage to any property;

(iii) A threat to introduce a denial of service attack into any "computer system";

(iv) A threat to introduce a virus or other malicious instruction into any "computer system" which is designed to damage, destroy or corrupt "electronic data" or "computer programs" stored within the "computer system";

(v) A threat to contaminate, pollute or render substandard your products or goods; or

(vi) A threat to disseminate, divulge or utilize:

i. Your confidential information;

ii. Confidential or personal information of another person or organization; or

iii. Weaknesses in the source code within any "computer system".

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(2) However, this exclusion does not apply under Insuring Agreement **A.5.** to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:

(a) Had no knowledge of any threat at the time the conveyance began; or

(b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

g. Vandalism

Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.

h. Voluntary Parting Of Title To Or Possession Of Property

Loss resulting from your, or anyone else acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

4. Insuring Agreement **A.6.** does not cover:

a. Authorized Access

Loss resulting from a fraudulent:

(1) Entry of "electronic data" or "computer program" into; or

(2) Change of "electronic data" or "computer program" within;

any "computer system" owned, leased or operated by you by a person or organization with authorized access to that "computer system", except when covered under Insuring Agreement **A.6.b.**

b. Credit Card Transactions

Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

c. Exchanges Or Purchases

Loss resulting from the giving or surrendering of property in any exchange or purchase.

d. Fraudulent Instructions

Loss resulting from an "employee" or "financial institution" acting upon any instruction to:

(1) Transfer, pay or deliver "money", "securities" or "other property"; or

(2) Debit or delete your account;

which instruction proves to be fraudulent, except when covered under Insuring Agreement **A.6.a.(2)** or **A.6.b.**

e. Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

(1) An inventory computation; or

(2) A profit and loss computation.

E. Conditions

The following conditions apply in addition to the Common Policy Conditions:

1. Conditions Applicable To All Insuring Agreements

a. Additional Premises Or Employees

If, while this insurance is in force, you establish any additional "premises" or hire additional "employees", other than through consolidation or merger with, or purchase or acquisition of assets or liabilities of, another entity, such "premises" and "employees" shall automatically be covered under this insurance. Notice to us of an increase in the number of "premises" or "employees" is not required, and no additional premium will be charged for the remainder of the Policy Period shown in the Declarations.

b. Concealment, Misrepresentation Or Fraud

This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other Insured, at any time, intentionally conceals or misrepresents a material fact concerning:

(1) This insurance;

(2) The property covered under this insurance;

(3) Your interest in the property covered under this insurance; or

(4) A claim under this insurance.

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c. Consolidation – Merger Or Acquisition

If you consolidate or merge with, or purchase or acquire the assets or liabilities of, another entity:

(1) You must give us written notice as soon as possible and obtain our written consent to extend the coverage provided by this insurance to such consolidated or merged entity or such purchased or acquired assets or liabilities. We may condition our consent by requiring payment of an additional premium; but

(2) For the first 90 days after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities, the coverage provided by this insurance shall apply to such consolidated or merged entity or such purchased or acquired assets or liabilities, provided that all "occurrences" causing or contributing to a loss involving such consolidation, merger or purchase or acquisition of assets or liabilities, must take place after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities.

d. Cooperation

You must cooperate with us in all matters pertaining to this insurance as stated in its terms and conditions.

e. Duties In The Event Of Loss

After you "discover" a loss or a situation that may result in loss of or damage to "money", "securities" or "other property", you must:

(1) Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Insuring Agreement **A.1.** or **A.2.**) involves a violation of law, you must also notify the local law enforcement authorities;

(2) Give us a detailed, sworn proof of loss within 120 days;

(3) Cooperate with us in the investigation and settlement of any claim;

(4) Produce for our examination all pertinent records;

(5) Submit to examination under oath at our request and give us a signed statement of your answers; and

(6) Secure all of your rights of recovery against any person or organization responsible for the loss and do nothing to impair those rights.

f. Employee Benefit Plans

The "employee benefit plans" shown in the Declarations (hereafter referred to as Plan) are included as Insureds under Insuring Agreement **A.1.,** subject to the following:

(1) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator is responsible for selecting a Limit of Insurance for Insuring Agreement **A.1.** that is sufficient to provide a Limit of Insurance for each Plan that is at least equal to that required under ERISA as if each Plan were separately insured.

(2) With respect to loss sustained or "discovered" by any such Plan, Insuring Agreement **A.1.** is replaced by the following:

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from fraudulent or dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

(3) If the first Named Insured is an entity other than a Plan, any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.

(4) If two or more Plans are insured under this insurance, any payment we make for loss:

(a) Sustained by two or more Plans; or

(b) Of commingled "money", "securities" or "other property" of two or more Plans;

resulting directly from an "occurrence", will be made to each Plan sustaining loss in the proportion that the Limit of Insurance required under ERISA for each Plan bears to the total of those limits.

(5) The Deductible Amount applicable to Insuring Agreement **A.1.** does not apply to loss sustained by any Plan.

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g. Extended Period To Discover Loss

We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is "discovered" by you:

(1) No later than 60 days from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

(2) No later than one year from the date of that cancellation with regard to any "employee benefit plan".

h. Joint Insured

(1) If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.

(2) If any Insured, or partner, "member", "manager", officer, director or trustee of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.

(3) An "employee" of any Insured is considered to be an "employee" of every Insured.

(4) If this insurance or any of its coverages are cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you:

(a) No later than 60 days from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

(b) No later than one year from the date of that cancellation with regard to any "employee benefit plan".

(5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.

(6) Payment by us to the first Named Insured for loss sustained by any Insured, or payment by us to any "employee benefit plan" for loss sustained by that Plan, shall fully release us on account of such loss.

i. Legal Action Against Us

You may not bring any legal action against us involving loss:

(1) Unless you have complied with all the terms of this insurance;

(2) Until 90 days after you have filed proof of loss with us; and

(3) Unless brought within two years from the date you "discovered" the loss.

If any limitation in this condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

j. Liberalization

If we adopt any revision that would broaden the coverage under this insurance without additional premium within 45 days prior to or during the Policy Period shown in the Declarations, the broadened coverage will immediately apply to this insurance.

k. Other Insurance

If other valid and collectible insurance is available to you for loss covered under this insurance, our obligations are limited as follows:

(1) Primary Insurance

When this insurance is written as primary insurance, and:

(a) You have other insurance subject to the same terms and conditions as this insurance, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the total limit of all insurance covering the same loss.

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(b) You have other insurance covering the same loss other than that described in Paragraph **k.(1)(a),** we will only pay for the amount of loss that exceeds:

(i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or

(ii) The Deductible Amount shown in the Declarations;

whichever is greater. Our payment for loss is subject to the terms and conditions of this insurance.

(2) Excess Insurance

(a) When this insurance is written excess over other insurance, we will only pay for the amount of loss that exceeds the Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not. Our payment for loss is subject to the terms and conditions of this insurance.

(b) However, if loss covered under this insurance is subject to a deductible, we will reduce the Deductible Amount shown in the Declarations, by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

l. Ownership Of Property; Interests Covered

The property covered under this insurance is limited to property:

(1) That you own or lease;

(2) That is held by you in any capacity; or

(3) For which you are legally liable, provided you were liable for the property prior to the time the loss was sustained.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

m. Policy Bridge – Discovery Replacing Loss Sustained

(1) If this insurance replaces insurance that provided you with an extended period of time after cancellation in which to discover loss and which did not terminate at the time this insurance became effective:

(a) We will not pay for any loss that occurred during the policy period of that prior insurance which is discovered by you during such extended period to discover loss, unless the amount of loss exceeds the Limit of Insurance and Deductible Amount of that prior insurance. In that case, we will pay for the excess loss subject to the terms and conditions of this insurance.

(b) However, any payment we make for the excess loss will not be greater than the difference between the Limit of Insurance and Deductible Amount of that prior insurance and the Limit Of Insurance shown in the Declarations. We will not apply the Deductible Amount shown in the Declarations to this excess loss.

(2) Other Insurance Condition **E.1.k.** does not apply to this condition.

n. Records

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

o. Recoveries

(1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or by you, shall be applied net of the expense of such recovery:

(a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;

(b) Second, to us in satisfaction of amounts paid in settlement of your claim;

(c) Third, to you in satisfaction of any Deductible Amount; and

(d) Fourth, to you in satisfaction of any loss not covered under this insurance.

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(2) Recoveries do not include any recovery:

(a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or

(b) Of original "securities" after duplicates of them have been issued.

p. Territory

This insurance covers loss that you sustain resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions), Puerto Rico and Canada.

q. Transfer Of Your Rights Of Recovery Against Others To Us

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

r. Valuation – Settlement

The value of any loss for purposes of coverage under this insurance shall be determined as follows:

(1) Money

Loss of "money" but only up to and including its face value. We will, at your option, pay for loss of "money" issued by any country other than the United States of America:

(a) At face value in the "money" issued by that country; or

(b) In the United States of America dollar equivalent, determined by the rate of exchange published in The Wall Street Journal on the day the loss was "discovered".

(2) Securities

Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:

(a) Pay the market value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or

(b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

(i) Market value of the "securities" at the close of business on the day the loss was "discovered"; or

(ii) Limit of Insurance applicable to the "securities".

(3) Property Other Than Money And Securities

(a) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:

(i) The Limit of Insurance applicable to the lost or damaged property;

(ii) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose; or

(iii) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

(b) We will not pay on a replacement cost basis for any loss or damage to property covered under Paragraph **r.(3)(a):**

(i) Until the lost or damaged property is actually repaired or replaced; and

(ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

(c) We will, at your option, pay for loss or damage to such property:

(i) In the "money" of the country in which the loss or damage was sustained; or

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(ii) In the United States of America dollar equivalent of the "money" of the country in which the loss or damage was sustained, determined by the rate of exchange published in The Wall Street Journal on the day the loss was "discovered".

(d) Any property that we pay for or replace becomes our property.

2. Conditions Applicable To Insuring Agreement A.1.

a. Termination As To Any Employee

This Insuring Agreement terminates as to any "employee":

(1) As soon as:

(a) You; or

(b) Any of your partners, "members", "managers", officers, directors or trustees not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you; or

(2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

b. Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in Territory Condition **E.1.p.** for a period of not more than 90 consecutive days.

3. Conditions Applicable To Insuring Agreement A.2.

a. Deductible Amount

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement **A.2.**

b. Electronic And Mechanical Signatures

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

c. Proof Of Loss

You must include with your proof of loss any instrument involved in that loss or, if that is not possible, an affidavit setting forth the amount and cause of loss.

d. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.2.**

4. Conditions Applicable To Insuring Agreements A.4. And A.5.

a. Armored Motor Vehicle Companies

Under Insuring Agreement **A.5.,** we will only pay for the amount of loss you cannot recover:

(1) Under your contract with the armored motor vehicle company; and

(2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

b. Special Limit Of Insurance For Specified Property

We will only pay up to $5,000 for any one "occurrence" of loss of or damage to:

(1) Precious metals, precious or semiprecious stones, pearls, furs, or completed or partially completed articles made of or containing such materials that constitute the principal value of such articles; or

(2) Manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

5. Conditions Applicable To Insuring Agreement A.6.

a. Special Limit Of Insurance For Specified Property

We will only pay up to $5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

b. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.6.**

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F. Definitions

1. "Computer program" means a set of related electronic instructions, which direct the operation and function of a computer or devices connected to it, which enable the computer or devices to receive, process, store or send "electronic data".

2. "Computer system" means:

a. Computers, including Personal Digital Assistants (PDAs) and other transportable or handheld devices, electronic storage devices and related peripheral components;

b. Systems and applications software; and

c. Related communications networks;

by which "electronic data" is collected, transmitted, processed, stored or retrieved.

3. "Counterfeit money" means an imitation of "money" which is intended to deceive and to be taken as genuine.

4. "Custodian" means you, or any of your partners or "members", or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.

5. "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.

6. "Electronic data" means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software) on data storage devices, including hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

7. "Employee":

a. Means:

(1) Any natural person:

(a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";

(b) Whom you compensate directly by salary, wages or commissions; and

(c) Whom you have the right to direct and control while performing services for you;

(2) Any natural person who is furnished temporarily to you:

(a) To substitute for a permanent "employee", as defined in Paragraph **7.a.(1),** who is on leave; or

(b) To meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you;

(3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary "employee" as defined in Paragraph **7.a.(2);**

(4) Any natural person who is:

(a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any "employee benefit plan"; or

(b) Your director or trustee while that person is engaged in handling "money", "securities" or "other property" of any "employee benefit plan";

(5) Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained by you as a consultant while performing services for you;

(6) Any natural person who is a guest student or intern pursuing studies or duties;

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(7) Any natural person employed by an entity merged or consolidated with you prior to the effective date of this insurance; and

(8) Any natural person who is your "manager", director or trustee while:

(a) Performing acts within the scope of the usual duties of an "employee"; or

(b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.

b. Does not mean:

Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph **7.a.**

8. "Employee benefit plan" means any welfare or pension benefit plan shown in the Declarations that you sponsor and that is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

9. "Financial institution" means:

a. With regard to Insuring Agreement **A.3.:**

(1) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or

(2) An insurance company.

b. With regard to Insuring Agreement **A.6.:**

(1) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution;

(2) An insurance company; or

(3) A stock brokerage firm or investment company.

c. Other than Insuring Agreements **A.3.** and **A.6.,** any financial institution.

10. "Financial institution premises" means the interior of that portion of any building occupied by a "financial institution" as defined in Paragraph **F.9.a.**

11. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.

12. "Fraudulent instruction" means:

a. With regard to Insuring Agreement **A.6.a.(2):**

(1) A computer, telefacsimile, telephone or other electronic instruction directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", which instruction purports to have been issued by you, but which in fact was fraudulently issued by someone else without your knowledge or consent; or

(2) A written instruction (other than those covered under Insuring Agreement **A.2.**) issued to a "financial institution" directing the "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", through an electronic funds transfer system at specified times or under specified conditions, which instruction purports to have been issued by you, but which in fact was issued, forged or altered by someone else without your knowledge or consent.

b. With regard to Insuring Agreement **A.6.b.:**

A computer, telefacsimile, telephone or other electronic, written or voice instruction directing an "employee" to enter or change "electronic data" or "computer programs" within a "computer system" covered under the Insuring Agreement, which instruction in fact was fraudulently issued by your computer software contractor.

13. "Manager" means a natural person serving in a directorial capacity for a limited liability company.

14. "Member" means an owner of a limited liability company represented by its membership interest who, if a natural person, may also serve as a "manager".

15. "Messenger" means you, or your relative, or any of your partners or "members", or any "employee" while having care and custody of property outside the "premises".

16. "Money" means:

a. Currency, coins and bank notes in current use and having a face value;

b. Traveler's checks and money orders held for sale to the public; and

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c. In addition, includes:

(1) Under Insuring Agreements **A.1.** and **A.2.,** deposits in your account at any "financial institution"; and

(2) Under Insuring Agreement **A.6.,** deposits in your account at a "financial institution" as defined in Paragraph **F.9.b.**

17. "Occurrence" means:

a. Under Insuring Agreement **A.1.:**

(1) An individual act;

(2) The combined total of all separate acts whether or not related; or

(3) A series of acts whether or not related;

committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, before such Policy Period or both.

b. Under Insuring Agreement **A.2.:**

(1) An individual act;

(2) The combined total of all separate acts whether or not related; or

(3) A series of acts whether or not related;

committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, before such Policy Period or both.

c. Under all other Insuring Agreements:

(1) An individual act or event;

(2) The combined total of all separate acts or events whether or not related; or

(3) A series of acts or events whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, before such Policy Period or both.

18. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include "computer programs", "electronic data" or any property specifically excluded under this insurance.

19. "Premises" means the interior of that portion of any building you occupy in conducting your business.

20. "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:

a. Caused or threatened to cause that person bodily harm; or

b. Committed an obviously unlawful act witnessed by that person.

21. "Safe burglary" means the unlawful taking of:

a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or

b. A safe or vault from inside the "premises".

22. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:

a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

23. "Theft" means the unlawful taking of property to the deprivation of the Insured.

24. "Transfer account" means an account maintained by you at a "financial institution" from which you can initiate the transfer, payment or delivery of "money" or "securities":

a. By means of computer, telefacsimile, telephone or other electronic instructions; or

b. By means of written instructions (other than those covered under Insuring Agreement **A.2.**) establishing the conditions under which such transfers are to be initiated by such "financial institution" through an electronic funds transfer system.

25. "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCLUDE SPECIFIED NON-COMPENSATED OFFICERS AS EMPLOYEES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

SCHEDULE

Names Or Titles Of Non-compensated Officers
Officers, Directors and/or Trustees
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The definition of "employee" is amended to include your non-compensated officers shown in the Schedule.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCLUDE CHAIRPERSON AND MEMBERS OF SPECIFIED COMMITTEES AS EMPLOYEES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

SCHEDULE

Names Of Committees
All Named Insured Committees
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The definition of "employee" is amended to include any natural person, whether or not compensated, while performing services for you as the chairperson, or a member of any committee named in the Schedule.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCLUDE DESIGNATED AGENTS AS EMPLOYEES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY

and applies to the Employee Theft Insuring Agreement:

SCHEDULE

Capacity Of Agent	Limit Of Insurance
Property Manager	**$** $100,000
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

1. The definition of "employee" is amended to include each natural person, partnership or corporation you appoint in writing to act as your agent in the capacity shown in the Schedule while acting on your behalf or while in possession of covered property. These natural persons, partnerships or corporations are not covered for faithful performance of duty, even in the event that this insurance may have been amended by endorsement to provide such coverage on other "employees". Only coverage for "theft" applies to the agents scheduled above.

2. Each such agent and the partners, officers and employees of that agent are considered to be, collectively, one "employee" for the purposes of this insurance. However, the Termination As To Any Employee Condition applies individually to each of them.

3. The most we will pay under this insurance for loss caused by an agent included as an "employee" by this endorsement is the Limit of Insurance shown in the Schedule. That Limit Of Insurance is part of, not in addition to, the Limit Of Insurance shown in the Declarations as applicable to the Employee Theft Insuring Agreement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – LEGAL ACTION AGAINST US

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
GOVERNMENT CRIME COVERAGE FORM
KIDNAP/RANSOM AND EXTORTION COVERAGE FORM

A. Under the Commercial Crime Coverage Form and Government Crime Coverage Form, the **Legal Action Against Us** Condition is replaced by the following:

LEGAL ACTION AGAINST US

You may not bring any legal action against us involving loss:

1. Unless you have complied with all the terms of this insurance;

2. Until 90 days after you have filed proof of loss with us; and

3. Unless brought within 5 years from the date you "discover" the loss.

B. Under the Kidnap/Ransom And Extortion Coverage Form, the **Legal Action Against Us** Condition is replaced by the following:

LEGAL ACTION AGAINST US

You may not bring any legal action against us involving loss:

1. Unless you have complied with all the terms of this insurance;

2. Until 90 days after you have filed proof of loss with us; and

3. Unless brought within 5 years from the date you reported the loss to us.

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