COMMERCIAL CONTRACT



Wesco Insurance Company

(A Stock Insurance Company)

An AmTrust Financial Company

800 SUPERIOR AVENUE EAST, 21ST FLOOR

CLEVELAND, OH 44114

877-528-7878

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Read Your Policy Carefully

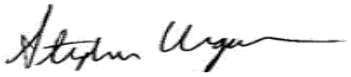
This policy is a legal contract between you and us. The information on this page is not the insurance contract and only the actual policy provisions will control. The policy sets forth in detail the rights and obligations of both you and us. **It is therefore important that you read your policy carefully.**

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of the policy.

This policy is signed by the President and Secretary of the insurance company and, if required by State law, this policy shall not be valid unless countersigned on the Declaration page by its authorized representative.



President



Secretary

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

COMMERCIAL COMMON POLICY DECLARATIONS SUMMARY PAGE

Policy Number WPP2127387 00	**Policy Period**	**From:** 11/1/2026 **To:** 11/1/2027 12:01 A.M. Standard Time at the Name Insured's Address	
Transaction New Business			
Named Insured and Address Heritage Greens Paired Homes Homeowners' Association, Inc. 1940 Greeley St S, Unit# 104 Stillwater MN 55082	**Producer:** 170705 Atlas Insurance Brokers, LLC (VIP) 4294 Dahlberg Dr, Suite 100 Golden Valley MN 55422 **Telephone:** (612) 354-2040		
Business Description Residential condominium association	**Type of Business** Organization Including a Corporation	**Auditable** ☐ **Audit Period**	**Non-Auditable** ☒ Non-Auditable

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 consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.

COVERAGE PART DESCRIPTION	PREMIUM
Commercial Fire	$27,951.00
General Liability	$2,286.00

Policy Premium	$30,237.00
Deposit Premium (if applicable)	$30,237.00
Taxes and Surcharges	$0.00
Total Deposit Premium (Includes Taxes, Surcharges, and applicable Terrorism Premium)	$30,237.00

FORMS AND ENDORSEMENTS*
See Forms and Endorsements Schedule

***Entry optional if above in common policy declarations schedule**

THESE DECLARATIONS TOGETHER WITH THE COVERAGE DECLARATIONS, COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND FORM(S) AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

10/21/2026
Date

Signature of Authorized Representative

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL COMMON POLICY DECLARATIONS
LOCATION SUMMARY

Premises # 1
10 Inspiration Blvd
Hudson WI 54016

Premises # 2
11 Ivy Grn
Hudson WI 54016

Premises # 3
17 Ivy Grn
Hudson WI 54016

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL COMMON POLICY DECLARATIONS
LOCATION SUMMARY

Premises # 4
19 Ivy Grn
Hudson WI 54016

Premises # 5
21 Ivy Grn
Hudson WI 54016

Premises # 6
23 Ivy Grn
Hudson WI 54016

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL COMMON POLICY DECLARATIONS
LOCATION SUMMARY

Premises # 7
25 Ivy Grn
Hudson WI 54016

Premises # 8
96 Tribute Ave
Hudson WI 54016

Premises # 9
98 Tribute Ave
Hudson WI 54016

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL COMMON POLICY DECLARATIONS
LOCATION SUMMARY

Premises # 10
100 Tribute Ave
Hudson WI 54016

Premises # 11
102 Tribute Ave
Hudson WI 54016

Premises # 12
104 Tribute Ave
Hudson WI 54016

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL COMMON POLICY DECLARATIONS
LOCATION SUMMARY

Premises # 13
106 Tribute Ave
Hudson WI 54016

Premises # 14
109 Linden Ave
Hudson WI 54016

Premises # 15
98 Linden Ave
Hudson WI 54016

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL COMMON POLICY DECLARATIONS
LOCATION SUMMARY

Premises # 16
100 Linden Ave
Hudson WI 54016

Premises # 17
102 Linden Ave
Hudson WI 54016

Premises # 18
104 Linden Ave
Hudson WI 54016

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL COMMON POLICY DECLARATIONS
LOCATION SUMMARY

Premises # 19
106 Linden Ave
Hudson WI 54016

Premises # 20
110 Linden Ave
Hudson WI 54016

Premises # 21
112 Linden Ave
Hudson WI 54016

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL COMMON POLICY DECLARATIONS
LOCATION SUMMARY

Premises # 22
114 Linden Ave
Hudson WI 54016

Premises # 23
116 Linden Ave
Hudson WI 54016

Premises # 24
117 Heirloom Ave
Hudson WI 54016

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL COMMON POLICY DECLARATIONS
LOCATION SUMMARY

Premises # 25
99 Heirloom Ave
Hudson WI 54016

Premises # 26
102 Jasmine
Hudson WI 54016

Premises # 27
104 Jasmine
Hudson WI 54016

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COMMERCIAL COMMON POLICY DECLARATIONS
LOCATION SUMMARY

Premises # 28
106 Jasmine
Hudson WI 54016

Premises # 29
108 Jasmine
Hudson WI 54016

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COMMERCIAL COMMON POLICY DECLARATIONS
SUB-LOCATION ADDRESS SCHEDULE

Premises # 1 Building # 1
10 Inspiration Blvd Hudson WI 54016
Residential condominium association

Premises # 2 Building # 1
11 Ivy Grn Hudson WI 54016
Residential condominium association

Premises # 3 Building # 1
17 Ivy Grn Hudson WI 54016
Residential condominium association

Premises # 4 Building # 1
19 Ivy Grn Hudson WI 54016
Residential condominium association

Premises # 5 Building # 1
21 Ivy Grn Hudson WI 54016
Residential condominium association

Premises # 6 Building # 1
23 Ivy Grn Hudson WI 54016
Residential condominium association

Premises # 7 Building # 1
25 Ivy Grn Hudson WI 54016
Residential condominium association

Premises # 8 Building # 1
96 Tribute Ave Hudson WI 54016
Residential condominium association

Premises # 9 Building # 1
98 Tribute Ave Hudson WI 54016
Residential condominium association

Premises # 10 Building # 1
100 Tribute Ave Hudson WI 54016
Residential condominium association

Premises # 11 Building # 1
102 Tribute Ave Hudson WI 54016
Residential condominium association

Premises # 12 Building # 1
104 Tribute Ave Hudson WI 54016
Residential condominium association

Premises # 13 Building # 1
106 Tribute Ave Hudson WI 54016
Residential condominium association

Premises # 14 Building # 1
109 Linden Ave Hudson WI 54016
Residential condominium association

Premises # 15 Building # 1
98 Linden Ave Hudson WI 54016
Residential condominium association

Premises # 16 Building # 1
100 Linden Ave Hudson WI 54016
Residential condominium association

Premises # 17 Building # 1
102 Linden Ave Hudson WI 54016
Residential condominium association

Premises # 18 Building # 1
104 Linden Ave Hudson WI 54016
Residential condominium association

Premises # 19 Building # 1
106 Linden Ave Hudson WI 54016
Residential condominium association

Premises # 20 Building # 1
110 Linden Ave Hudson WI 54016
Residential condominium association

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COMMERCIAL COMMON POLICY DECLARATIONS
SUB-LOCATION ADDRESS SCHEDULE

Premises # 21 Building # 1
112 Linden Ave Hudson WI 54016
Residential condominium association

Premises # 22 Building # 1
114 Linden Ave Hudson WI 54016
Residential condominium association

Premises # 23 Building # 1
116 Linden Ave Hudson WI 54016
Residential condominium association

Premises # 24 Building # 1
117 Heirloom Ave Hudson WI 54016
Residential condominium association

Premises # 25 Building # 1
99 Heirloom Ave Hudson WI 54016
Residential condominium association

Premises # 26 Building # 1
102 Jasmine Hudson WI 54016
Residential condominium association

Premises # 27 Building # 1
104 Jasmine Hudson WI 54016
Residential condominium association

Premises # 28 Building # 1
106 Jasmine Hudson WI 54016
Residential condominium association

Premises # 29 Building # 1
108 Jasmine Hudson WI 54016
Residential condominium association

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

COMMERCIAL GENERAL LIABILITY COVERAGE DECLARATIONS

Policy Number WPP2127387 00	**Policy Period**	**From:** 11/1/2026 **To:** 11/1/2027 12:01 A.M. Standard Time at the Name Insured's Address
Transaction New Business		
Named Insured and Address Heritage Greens Paired Homes Homeowners' Association, Inc. 1940 Greeley St S, Unit# 104 Stillwater MN 55082	**Producer:** 170705 Atlas Insurance Brokers, LLC (VIP) 4294 Dahlberg Dr, Suite 100 Golden Valley MN 55422 **Telephone:** (612) 354-2040	
Business Description Residential condominium association	**Type of Business** Organization Including a Corporation	**Audit Period** Non-Auditable

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.

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
Medical Expense Limit, any one person	$5,000
Damage to Premises Rented to You Limit, any one premises	$100,000

AMENDED LIMITS OF LIABILITY

Refer to attached schedule, if any.

LOCATIONS OF ALL PREMISES YOU OWN, RENT OR OCCUPY

Refer to attached schedule.

CLASSIFICATIONS

Refer to attached schedule, if any.

TOTAL PREMIUM FOR THIS COVERAGE PART $2,286.00

FORMS AND ENDORSEMENTS*
See Forms and Endorsements Schedule

***Entry optional if shown in common policy declarations.**

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY DECLARATIONS, COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND FORM(S) AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

10/21/2026
Date

Signature of Authorized Representative

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL GENERAL LIABILITY COVERAGE DECLARATIONS
EXTENSION OF DECLARATIONS

LOCATION OF PREMISES

Location of All Premises You Own, Rent or Occupy:

1 10 Inspiration Blvd Hudson WI 54016	2 11 Ivy Grn Hudson WI 54016	3 17 Ivy Grn Hudson WI 54016
4 19 Ivy Grn Hudson WI 54016	5 21 Ivy Grn Hudson WI 54016	6 23 Ivy Grn Hudson WI 54016
7 25 Ivy Grn Hudson WI 54016	8 96 Tribute Ave Hudson WI 54016	9 98 Tribute Ave Hudson WI 54016

PREMIUM

					Rate		Advanced Premium	
Location	Classification	Code No.	Exposure	Basis	Premises Ops	Prod/Comp Ops.	Premises Ops.	Prod/Comp Ops.
1	Condominiums - residential - (association risk only)	62003	2	u	33.445	0.000	$67.00	$0.00
2	Condominiums - residential - (association risk only)	62003	2	u	32.789	0.000	$66.00	$0.00
3	Condominiums - residential - (association risk only)	62003	2	u	35.543	0.000	$71.00	$0.00
4	Condominiums - residential - (association risk only)	62003	2	u	35.543	0.000	$71.00	$0.00
5	Condominiums - residential - (association risk only)	62003	2	u	35.543	0.000	$71.00	$0.00
6	Condominiums - residential - (association risk only)	62003	2	u	35.543	0.000	$71.00	$0.00
7	Condominiums - residential - (association risk only)	62003	2	u	34.822	0.000	$70.00	$0.00
8	Condominiums - residential - (association risk only)	62003	2	u	32.789	0.000	$66.00	$0.00
9	Condominiums - residential - (association risk only)	62003	2	u	32.789	0.000	$66.00	$0.00

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL GENERAL LIABILITY COVERAGE DECLARATIONS
EXTENSION OF DECLARATIONS

LOCATION OF PREMISES

Location of All Premises You Own, Rent or Occupy:

10 100 Tribute Ave Hudson WI 54016	11 102 Tribute Ave Hudson WI 54016	12 104 Tribute Ave Hudson WI 54016
13 106 Tribute Ave Hudson WI 54016	14 109 Linden Ave Hudson WI 54016	15 98 Linden Ave Hudson WI 54016
16 100 Linden Ave Hudson WI 54016	17 102 Linden Ave Hudson WI 54016	18 104 Linden Ave Hudson WI 54016

PREMIUM

					Rate		Advanced Premium	
Location	Classification	Code No.	Exposure	Basis	Premises Ops	Prod/Comp Ops.	Premises Ops.	Prod/Comp Ops.
10		62003	2	u	32.789	0.000	$66.00	$0.00
	Condominiums - residential - (association risk only)							
11		62003	2	u	31.477	0.000	$63.00	$0.00
	Condominiums - residential - (association risk only)							
12		62003	2	u	31.477	0.000	$63.00	$0.00
	Condominiums - residential - (association risk only)							
13		62003	2	u	30.854	0.000	$62.00	$0.00
	Condominiums - residential - (association risk only)							
14		62003	2	u	30.854	0.000	$62.00	$0.00
	Condominiums - residential - (association risk only)							
15		62003	2	u	30.854	0.000	$62.00	$0.00
	Condominiums - residential - (association risk only)							
16		62003	2	u	30.854	0.000	$62.00	$0.00
	Condominiums - residential - (association risk only)							
17		62003	2	u	30.854	0.000	$62.00	$0.00
	Condominiums - residential - (association risk only)							
18		62003	2	u	30.854	0.000	$62.00	$0.00
	Condominiums - residential - (association risk only)							

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL GENERAL LIABILITY COVERAGE DECLARATIONS
EXTENSION OF DECLARATIONS

LOCATION OF PREMISES

Location of All Premises You Own, Rent or Occupy:

19 106 Linden Ave Hudson WI 54016	20 110 Linden Ave Hudson WI 54016	21 112 Linden Ave Hudson WI 54016
22 114 Linden Ave Hudson WI 54016	23 116 Linden Ave Hudson WI 54016	24 117 Heirloom Ave Hudson WI 54016
25 99 Heirloom Ave Hudson WI 54016	26 102 Jasmine Hudson WI 54016	27 104 Jasmine Hudson WI 54016

PREMIUM

					Rate		Advanced Premium	
Location	Classification	Code No.	Exposure	Basis	Premises Ops	Prod/Comp Ops.	Premises Ops.	Prod/Comp Ops.
19	Condominiums - residential - (association risk only)	62003	2	u	30.854	0.000	$62.00	$0.00
20	Condominiums - residential - (association risk only)	62003	2	u	30.854	0.000	$62.00	$0.00
21	Condominiums - residential - (association risk only)	62003	2	u	30.854	0.000	$62.00	$0.00
22	Condominiums - residential - (association risk only)	62003	2	u	30.854	0.000	$62.00	$0.00
23	Condominiums - residential - (association risk only)	62003	2	u	30.854	0.000	$62.00	$0.00
24	Condominiums - residential - (association risk only)	62003	1	u	50.102	0.000	$50.00	$0.00
25	Condominiums - residential - (association risk only)	62003	1	u	48.134	0.000	$48.00	$0.00
26	Condominiums - residential - (association risk only)	62003	2	u	30.854	0.000	$62.00	$0.00
27	Condominiums - residential - (association risk only)	62003	2	u	30.854	0.000	$62.00	$0.00

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL GENERAL LIABILITY COVERAGE DECLARATIONS
EXTENSION OF DECLARATIONS

LOCATION OF PREMISES

Location of All Premises You Own, Rent or Occupy:

28
106 Jasmine
Hudson WI 54016

29
108 Jasmine
Hudson WI 54016

PREMIUM

Location	Classification	Code No.	Exposure	Basis	Rate: Premises Ops	Rate: Prod/Comp Ops.	Advanced Premium: Premises Ops.	Advanced Premium: Prod/Comp Ops.
28	Condominiums - residential - (association risk only)	62003	2	u	30.854	0.000	$62.00	$0.00
29	Condominiums - residential - (association risk only)	62003	2	u	30.854	0.000	$62.00	$0.00
	Hired Auto and Non-Owned Auto Liability		2 Employees				$197.00	
	Expansion Endorsement							$250.00

Extension of Declarations – Total Advance Annual Premium $2,286.00

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

COMMERCIAL PROPERTY COVERAGE DECLARATIONS

Policy Number WPP2127387 00	**Policy Period**	**From:** 11/1/2026 **To:** 11/1/2027 12:01 A.M. Standard Time at the Name Insured's Address
Transaction New Business		
Named Insured and Address Heritage Greens Paired Homes Homeowners' Association, Inc. 1940 Greeley St S, Unit# 104 Stillwater MN 55082	**Producer:** 170705 Atlas Insurance Brokers, LLC (VIP) 4294 Dahlberg Dr, Suite 100 Golden Valley MN 55422 **Telephone:** (612) 354-2040	
Business Description Residential condominium association	**Type of Business** Organization Including a Corporation	**Audit Period** Non-Auditable

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.

DESCRIPTION OF PREMISES
Refer to attached schedule.

COVERAGES PROVIDED
Refer to attached schedule, if any.

OPTIONAL COVERAGES
Refer to attached schedule, if any.

MORTGAGEES AND ADDITIONAL INTERESTS
Refer to attached schedule, if any.

TOTAL PREMIUM FOR THIS COVERAGE PART $27,951.00

FORMS AND ENDORSEMENTS*
See forms and Endorsements Schedule

***Entry optional if shown in common policy declarations.**

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY DECLARATIONS, COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND FORM(S) AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

10/21/2026
Date

Signature of Authorized Representative

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COMMERCIAL PROPERTY
DESCRIPTION OF PREMISES

Loc. No.	Bldg. No.	Occupancy	Construction	Class	Prot.	Terr.	EQ Class.	EQ Terr.
1	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
2	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
3	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
4	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
5	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
6	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
7	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
8	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
9	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
10	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
11	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
12	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
13	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
14	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
15	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
16	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
17	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
18	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
19	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
20	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
21	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		

COMMERCIAL PROPERTY
DESCRIPTION OF PREMISES

22	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560

COMMERCIAL PROPERTY
DESCRIPTION OF PREMISES

Loc. No.	Bldg. No.	Occupancy	Construction	Class	Prot.	Terr.	EQ Class.	EQ Terr.
23	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
24	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
25	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
26	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
27	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
28	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		
29	1	Condominiums – residential (association risk only) – without mercantile occupancies – Up to 10 units	Frame (Code 1)	0331	3	560		

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COMMERCIAL PROPERTY
DESCRIPTION OF COVERAGES PROVIDED

Loc. No.	Bldg. No.	Coverage	Limit of Insurance	Blanket Coverage	Covered Causes of Loss	Coinsurance*	Deductible
1	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
1	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
2	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
2	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
3	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
3	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
4	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
4	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
5	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
5	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
6	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
6	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
7	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
7	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
8	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
8	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
9	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
9	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
10	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
10	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
11	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
11	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
12	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
12	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
13	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
13	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
14	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
14	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
15	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
15	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
16	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
16	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
17	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
17	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
18	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
18	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
19	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
19	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
20	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000

Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes
Homeowners' Association, Inc.

COMMERCIAL PROPERTY
DESCRIPTION OF COVERAGES PROVIDED

*IF EXTRA EXPENSE COVERAGE, LIMITS ON LOSS PAYMENT

Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes
Homeowners' Association, Inc.

COMMERCIAL PROPERTY
DESCRIPTION OF COVERAGES PROVIDED

Loc. No.	Bldg. No.	Coverage	Limit of Insurance	Blanket Coverage	Covered Causes of Loss	Coinsurance*	Deductible
20	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
21	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
21	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
22	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
22	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
23	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
23	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
24	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
24	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
25	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
25	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
26	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
26	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
27	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
27	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
28	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
28	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		
29	1	Building - Condo Association	BLKT	Yes	Special	90%	$25,000
29	1	Business Income including Rental Value with Extra Expense – ALS 12M	ALS for 12 Months		Special		

*IF EXTRA EXPENSE COVERAGE, LIMITS ON LOSS PAYMENT

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COMMERCIAL PROPERTY
DESCRIPTION OF OPTIONAL COVERAGES PROVIDED

Loc. No.	Bldg. No.	Coverage	Effective Date	Expiration Date	Agreed Value	Valuation*			Inflation Guard		Indemnity		
						Bldg.	Pers. Prop.	Incl "Stock"	Bldg.	Pers. Prop.	Monthly Limit	Extended Period	Maximum Period
1	1	Building - Condo Association				RC			4%				
1	1	Business Income including Rental Value with Extra Expense – ALS 12M											
2	1	Building - Condo Association				RC			4%				
2	1	Business Income including Rental Value with Extra Expense – ALS 12M											
3	1	Building - Condo Association				RC			4%				
3	1	Business Income including Rental Value with Extra Expense – ALS 12M											
4	1	Building - Condo Association				RC			4%				
4	1	Business Income including Rental Value with Extra Expense – ALS 12M											
5	1	Building - Condo Association				RC			4%				
5	1	Business Income including Rental Value with Extra Expense – ALS 12M											
6	1	Building - Condo Association				RC			4%				
6	1	Business Income including Rental Value with Extra Expense – ALS 12M											
7	1	Building - Condo Association				RC			4%				
7	1	Business Income including Rental Value with Extra Expense – ALS 12M											
8	1	Building - Condo Association				RC			4%				
8	1	Business Income including Rental Value with Extra Expense – ALS 12M											
9	1	Building - Condo Association				RC			4%				
9	1	Business Income including Rental Value with Extra Expense – ALS 12M											
10	1	Building - Condo Association				RC			4%				
10	1	Business Income including Rental Value with Extra Expense – ALS 12M											
11	1	Building - Condo Association				RC			4%				

COMMERCIAL PROPERTY
DESCRIPTION OF OPTIONAL COVERAGES PROVIDED

11	1	Business Income including Rental Value with Extra Expense – ALS 12M

* RC - Replacement Cost
FRC - Functional Replacement Cost
ACV - Actual Cash Value

COMMERCIAL PROPERTY
DESCRIPTION OF OPTIONAL COVERAGES PROVIDED

Loc. No.	Bldg. No.	Coverage	Effective Date	Expiration Date	Agreed Value	Valuation*			Inflation Guard		Indemnity		
						Bldg.	Pers. Prop.	Incl "Stock"	Bldg.	Pers. Prop.	Monthly Limit	Extended Period	Maximum Period
12	1	Building - Condo Association	11/1/2026	11/1/2027	X	RC			4%				
12	1	Business Income including Rental Value with Extra Expense – ALS 12M											
13	1	Building - Condo Association				RC			4%				
13	1	Business Income including Rental Value with Extra Expense – ALS 12M											
14	1	Building - Condo Association				RC			4%				
14	1	Business Income including Rental Value with Extra Expense – ALS 12M											
15	1	Building - Condo Association				RC			4%				
15	1	Business Income including Rental Value with Extra Expense – ALS 12M											
16	1	Building - Condo Association				RC			4%				
16	1	Business Income including Rental Value with Extra Expense – ALS 12M											
17	1	Building - Condo Association				RC			4%				
17	1	Business Income including Rental Value with Extra Expense – ALS 12M											
18	1	Building - Condo Association				RC			4%				
18	1	Business Income including Rental Value with Extra Expense – ALS 12M											
19	1	Building - Condo Association				RC			4%				
19	1	Business Income including Rental Value with Extra Expense – ALS 12M											
20	1	Building - Condo Association				RC			4%				
20	1	Business Income including Rental Value with Extra Expense – ALS 12M											
21	1	Building - Condo Association				RC			4%				
21	1	Business Income including Rental Value with Extra Expense – ALS 12M											
22	1	Building - Condo Association				RC			4%				

COMMERCIAL PROPERTY
DESCRIPTION OF OPTIONAL COVERAGES PROVIDED

22	1	Business Income including Rental Value with Extra Expense – ALS 12M

* RC - Replacement Cost
FRC - Functional Replacement Cost
ACV - Actual Cash Value

COMMERCIAL PROPERTY
DESCRIPTION OF OPTIONAL COVERAGES PROVIDED

Loc. No.	Bldg. No.	Coverage	Effective Date	Expiration Date	Agreed Value	Valuation*			Inflation Guard		Indemnity		
						Bldg.	Pers. Prop.	Incl "Stock"	Bldg.	Pers. Prop.	Monthly Limit	Extended Period	Maximum Period
23	1	Building - Condo Association				RC			4%				
23	1	Business Income including Rental Value with Extra Expense – ALS 12M											
24	1	Building - Condo Association				RC			4%				
24	1	Business Income including Rental Value with Extra Expense – ALS 12M											
25	1	Building - Condo Association				RC			4%				
25	1	Business Income including Rental Value with Extra Expense – ALS 12M											
26	1	Building - Condo Association				RC			4%				
26	1	Business Income including Rental Value with Extra Expense – ALS 12M											
27	1	Building - Condo Association				RC			4%				
27	1	Business Income including Rental Value with Extra Expense – ALS 12M											
28	1	Building - Condo Association				RC			4%				
28	1	Business Income including Rental Value with Extra Expense – ALS 12M											
29	1	Building - Condo Association				RC			4%				
29	1	Business Income including Rental Value with Extra Expense – ALS 12M											

* RC - Replacement Cost
FRC - Functional Replacement Cost
ACV - Actual Cash Value

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL PROPERTY
SUPPLEMENTAL DECLARATIONS BLANKET

Loc No.	Bldg No.	Coverage	Blanket Limit	Coinsurance	Covered Causes of Loss	Premium
BLKT	BLKT	Building	$27,595,980	90%	Special	$25,612.00
			Total Blanket Property Premium			$25,612.00

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COMMERCIAL PROPERTY
SUPPLEMENTAL DECLARATIONS

LOCATION SCHEDULE PREMIUM CHARGES:

Loc No.	Bldg No.	Coverage	Covered Causes of Loss		Premium
1	1	Building - Condo Association	Special Including Theft		Blanket
1	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 1 Total	$4.00
2	1	Building - Condo Association	Special Including Theft		Blanket
2	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 2 Total	$4.00
3	1	Building - Condo Association	Special Including Theft		Blanket
3	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 3 Total	$4.00
4	1	Building - Condo Association	Special Including Theft		Blanket
4	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 4 Total	$4.00
5	1	Building - Condo Association	Special Including Theft		Blanket
5	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 5 Total	$4.00
6	1	Building - Condo Association	Special Including Theft		Blanket
6	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 6 Total	$4.00
7	1	Building - Condo Association	Special Including Theft		Blanket
7	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 7 Total	$4.00
8	1	Building - Condo Association	Special Including Theft		Blanket
8	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 8 Total	$4.00
9	1	Building - Condo Association	Special Including Theft		Blanket
9	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 9 Total	$4.00
10	1	Building - Condo Association	Special Including Theft		Blanket
10	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 10 Total	$4.00
11	1	Building - Condo Association	Special Including Theft		Blanket
11	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 11 Total	$4.00
12	1	Building - Condo Association	Special Including Theft		Blanket
12	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 12 Total	$4.00
13	1	Building - Condo Association	Special Including Theft		Blanket
13	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 13 Total	$4.00
14	1	Building - Condo Association	Special Including Theft		Blanket
14	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 14 Total	$4.00

COMMERCIAL PROPERTY
SUPPLEMENTAL DECLARATIONS

15	1	Building - Condo Association	Special Including Theft		Blanket
15	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 15 Total	$4.00

COMMERCIAL PROPERTY
SUPPLEMENTAL DECLARATIONS

LOCATION SCHEDULE PREMIUM CHARGES:

Loc No.	Bldg No.	Coverage	Covered Causes of Loss		Premium
16	1	Building - Condo Association	Special Including Theft		Blanket
16	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 16 Total	$4.00
17	1	Building - Condo Association	Special Including Theft		Blanket
17	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 17 Total	$4.00
18	1	Building - Condo Association	Special Including Theft		Blanket
18	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 18 Total	$4.00
19	1	Building - Condo Association	Special Including Theft		Blanket
19	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 19 Total	$4.00
20	1	Building - Condo Association	Special Including Theft		Blanket
20	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 20 Total	$4.00
21	1	Building - Condo Association	Special Including Theft		Blanket
21	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 21 Total	$4.00
22	1	Building - Condo Association	Special Including Theft		Blanket
22	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 22 Total	$4.00
23	1	Building - Condo Association	Special Including Theft		Blanket
23	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 23 Total	$4.00
24	1	Building - Condo Association	Special Including Theft		Blanket
24	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$3.00
				Location 24 Total	$3.00
25	1	Building - Condo Association	Special Including Theft		Blanket
25	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$3.00
				Location 25 Total	$3.00
26	1	Building - Condo Association	Special Including Theft		Blanket
26	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 26 Total	$4.00
27	1	Building - Condo Association	Special Including Theft		Blanket
27	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 27 Total	$4.00
28	1	Building - Condo Association	Special Including Theft		Blanket
28	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 28 Total	$4.00
29	1	Building - Condo Association	Special Including Theft		Blanket
29	1	Business Income including Rental Value with Extra Expense – ALS 12M	Special Including Theft		$4.00
				Location 29 Total	$4.00

COMMERCIAL PROPERTY
SUPPLEMENTAL DECLARATIONS

Total for All Locations: $114.00

Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
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COMMERCIAL PROPERTY
SUPPLEMENTAL DECLARATIONS

OTHER PROPERTY COVERAGE PREMIUM CHARGES:

Coverage	Premium
Property Expanded Coverage Endorsement Gold with Business Income and Extra Expense	$1,929.00
Terrorism	$296.00

Total Other Property: $2,225.00
Total Blanket Property: $25,612.00

Total Property Premium Charges:$27,951.00
(Excludes Taxes and Surcharges)

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Wesco Insurance Company
800 Superior Avenue East, 21st Floor
Cleveland, OH 44114

Policy Number:
WPP2127387 00
Named Insured:
Heritage Greens Paired Homes Homeowners' Association, Inc.

COMMERCIAL COMMON POLICY DECLARATIONS
INSTALLMENT SCHEDULE

The period covered by this installment payment provision is from 11/1/2026 to 11/1/2027 beginning and ending at 12:01 AM standard time at the address of the insured.

PREMIUM SUMMARY

The premium is due on the following dates:

Date	Amount
11/5/2026	$3,023.70
12/1/2026	$3,023.70
1/1/2027	$3,023.70
2/1/2027	$3,023.70
3/1/2027	$3,023.70
4/1/2027	$3,023.70
5/1/2027	$3,023.70
6/1/2027	$3,023.70
7/1/2027	$3,023.70
8/1/2027	$3,023.70

This policy may be subject to premium adjustment per policy terms.

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Policy Number:
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COMMERCIAL COMMON POLICY DECLARATIONS
FORMS AND ENDORSEMENTS SCHEDULE

Coverage	Form Number	Edition Date	Title
CG	CG0001	04/13	COMMERCIAL GENERAL LIABILITY COVERAGE FORM
CG	CG0069	12/23	EXCLUSION – VIOLATION OF LAW ADDRESSING DATA PRIVACY
CG	CG0124	01/93	WISCONSIN CHANGES - AMENDMENT OF POLICY CONDITIONS
CG	CG2004	11/85	ADDITIONAL INSURED - CONDOMINIUM UNIT OWNERS
CG	CG2106	12/23	EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL MATERIAL OR INFORMATION
CG	CG2109	06/15	EXCLUSION - UNMANNED AIRCRAFT
CG	CG2132	05/09	COMMUNICABLE DISEASE EXCLUSION
CG	CG2147	12/07	EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG	CG2149	09/99	TOTAL POLLUTION EXCLUSION ENDORSEMENT
CG	CG2173	01/15	EXCLUSION OF CERTIFIED ACTS OF TERRORISM
CG	CG2185	12/23	EXCLUSION – ELECTRONIC DATA –DELETION OF BODILY INJURY EXCEPTION
CG	CG2196	03/05	SILICA OR SILICA-RELATED DUST EXCLUSION
CG	CG4032	05/23	EXCLUSION – PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS)
CG	CG4035	12/23	EXCLUSION – CYBER INCIDENT
CF	CP0017	10/12	CONDOMINIUM ASSOCIATION COVERAGE FORM
CF	CP0030	10/12	BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
CF	CP0090	07/88	COMMERCIAL PROPERTY CONDITIONS
CF	CP0113	10/02	WISCONSIN CHANGES
CF	CP0140	07/06	EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA
CF	CP1030	09/17	CAUSE OF LOSS - SPECIAL FORM
CF	CP1036	10/12	LIMITATIONS ON COVERAGE FOR ROOF SURFACING
CF	CP1075	12/20	CYBER INCIDENT EXCLUSION
CF	CP990088	04/17	BUSINESS INCOME COVERAGE PROVIDED ON AN ACTUAL LOSS SUSTAINED BASIS (ALS)
CF	CP990101	11/20	PROPERTY EXPANDED COVERAGE ENDORSEMENT GOLD (WITH BUSINESS INCOME AND EXTRA EXPENSE)
CF	CP990119	06/21	WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE
CR	CR0021	11/15	COMMERCIAL CRIME COVERAGE FORM (LOSS SUSTAINED FORM)
CG	GL990027	10/17	HIRED AND NON-OWNED AUTO LIABILITY
CG	GL990200	10/17	GENERAL LIABILITY ENHANCEMENT ENDORSEMENT
CG	GL990214	10/17	EXCLUSION - PUNITIVE OR EXEMPLARY DAMAGES
CG	GL990251	10/25	MULTIPLE POLICIES OR COVERAGE FORMS - NON-STACKING OF LIMITS ENDORSEMENT

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COMMERCIAL COMMON POLICY DECLARATIONS
FORMS AND ENDORSEMENTS SCHEDULE

Coverage	Form Number	Edition Date	Title
CG	GL990280	11/23	EXCLUSION - FUNGI OR BACTERIA
CG	GL990289	03/26	NON-CUMULATION OF LIABILITY LIMITS - SAME OCCURRENCE
IL	IL0017	11/98	COMMON POLICY CONDITIONS
IL	IL0021	09/08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM)
IL	IL0283	11/18	WISCONSIN CHANGES – CANCELLATION AND NONRENEWAL
IL	IL0935	07/02	EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES
IL	IL0953	01/15	EXCLUSION OF CERTIFIED ACTS OF TERRORISM
IL	IL0985	12/20	DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
IL	IL990044	01/17	ASBESTOS EXCLUSION
IL	IL990048	01/17	EXCLUSION - LEAD

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Safety Zone: Nine Keys to a Successful Accident Prevention Program



Creating a safe workplace for employees to perform their duties is essential in reducing accidents, injuries and illnesses that hurt employees and create financial liabilities for employers. Employers who emphasize safety and empower workers to take responsibility for their own and their co-workers' well-being is a sound and desirable business practice. Not only is focusing on safety the right thing for employees and their families, but it is also a real-world approach that can increase quality, loyalty, operational efficiencies and the company's overall financial performance.

The following steps can be used as a starting place to create and maintain an organization that continually identifies and analyzes its risks measured against existing controls and makes the needed improvements for the company's betterment.

1. Top management support and active leadership in safety must exist, and a written safety policy must be communicated to all employees.

2. Supervisors should be held accountable for the incidence of job-related injuries just as they are held responsible for production and quality objectives. Their performance evaluations should consider their units' safety performance.

3. Supervisors should be trained, have a solid understanding of and be responsible for the following activities:

- Job hazard analysis
- Regular workplace inspections
- Accident investigation
- Employee relations and motivational techniques
- Costs of accidents on production and company profits
- Safety rules and procedures
- Work closely with HR to return injured workers to productive activity within the medical restrictions assigned by the treating physician until they are released to full duty or otherwise released from medical care

Supervisors and reliable employees should be included in the rule and procedure-making process to ensure that correct data reflects actual working environments and conditions and ensures buy-in from all workers.

4. Effective training, particularly of new employees, is critical. In some industries, it is estimated that new employees (less than six months on the job) account for 30% of all injuries. Poor work habits or unsafe behavior should be corrected immediately. A formal system of disciplining employees for unsafe behavior is recommended; however, only after determining why an employee acted unsafely (root cause analysis).

- Highlight safety in all phases of the hiring process and integrate safe behavior into job training, starting on day one
- Make sure that leaders are continually emphasizing safety as a top priority and that it is integrated into all job functions
- Keep training relevant by aligning it with actual workplace hazards and conditions (see Job Hazard Analysis in 3)
- Train employees when new procedures are introduced
- Train employees when safety performance is not meeting objectives, and lack of understanding is identified
- Train employees on the hazards of chemicals and proper controls using Safety Data Sheets available from the supplier or manufacturer
- Contact your workers' compensation insurance carrier to see what training resources are available to you as a policyholder

5. Establish a safety committee that includes top management, front-line supervisors and production personnel. Safety committees must discuss accidents, solutions, hazards and their correction. They must be focused on priorities, and management should make every effort to implement the solutions they offer. Meetings should have set agendas to avoid them becoming "gripe sessions."

6. Accidents can still occur, so therefore it is necessary to have post-accident procedures in place:

- Proper first aid training, supplies and emergency medical response communication numbers/procedures posted and easily accessed
- Prompt and thorough accident investigation
- Prompt claims reporting to your insurance company
- A return-to-work program

7. The importance of having proper hiring procedures in place cannot be overstated. All those involved in the selection and interviewing of job candidates should have a thorough understanding of the various hiring stages and what inquiries may legally be made in each stage to be confident that the new hire is physically able to perform the work and will adhere to the company's safety and other requirements. Additionally, to ensure that you know you have properly obtained information about any pre-existing medical conditions or disabilities being brought into the workplace. Applicable employment laws will guide this important step. The employer should seek human resource experts and/or legal counsel to confirm they are complying with the many local, state and federal laws that may apply.

8. Actively solicit, encourage and act on employees' concerns, safety suggestions and ideas.

9. An incentive program might be adopted to motivate improved performance in safety. However, a program should only be implemented after the other elements of your safety program are in place and working. Any incentive program should be meaningful and fair, and it should be evaluated periodically to ensure that it is effective and producing the desired effect. A common complaint about incentive programs is that they tend to suppress reporting of incidents and injuries—something you certainly want to avoid.

For additional resources and other safety and risk management subjects, visit the AmTrust Loss Control website: https://amtrustfinancial.com/loss-control.

Contact Info:

PHONE: 888.486.7466
WEB: www.amtrustfinancial.com
EMAIL: AskLC@amtrustgroup.com

AmTrust maintains this article as a service for its customers. This information is intended to give you a place to start when finding information about a particular safety question. This article is not intended to provide authoritative answers to safety and health questions. Before using the information here, the accuracy and appropriateness of the information to your specific situation should be verified by a person qualified to assess all the factors involved.

This article contains hyperlinks to information created and maintained by other public and private organizations. Please be aware that we do not control or guarantee the accuracy, relevance, timeliness or completeness of this outside information. Further, the inclusion of pointers to particular items in hypertext is not intended to reflect their importance, nor is it intended to endorse any views expressed or products or services offered by the author of the reference or the organization operating the site on which the reference is maintained.

Safety Zone:
Risk Transfer and Certificates of Insurance

What is Risk Transfer?

Risk transfer is a risk control plan of action or strategy that contractually shifts the risk of doing business from one party to another. An example of this would be a property owner who hires a contractor to provide services for his building rather than hiring his own staff of repair personnel. By doing this, the property owner transfers the risk of potential claims or losses onto the contracting firm hired.

The question now is – what should this property owner request from the contractor hired to ensure that the risk is properly transferred to the contractor? At a minimum, a written agreement that the property owner be included as an Additional Insured on the contractor's own insurance policy and that a Certificate of Insurance (COI) be provided from the contractor's insurer or insurance agent. It should also include that the contractor's insurance for the owner is primary and non-contributory. It is strongly recommended the written contract between the two parties include an indemnification clause that specifies the contractor agrees to hold the property owner harmless, thereby eliminating the risk of the owner's liability for the contractor's operations. When permitted, such terms should also be included within the Additional Insured endorsement.

What is a Certificate of Insurance?

A Certificate of Insurance is a document used to provide information regarding specific insurance coverage held by an individual organization. This COI provides verification of the individual organization's insurance coverage, lines of coverage and limits of coverage. It provides the name of the insurance company, the policy number(s), the named insured and the policies' effective dates. As a caution, this document is merely a "snapshot in time" – a representation of a single point in time that is issued by the other party.

Though uncommon, a Certificate of Insurance may be potentially fraudulent. The COI should come directly from the other party's agent or insurance carrier rather than from the subcontractor or vendor. The party hiring the vendor or subcontractor should ensure that the name of the insured on the COI exactly matches the name of the vendor or subcontractor hired.

Certificates of Insurance are not enough to protect the assets of a company. To ensure they are properly covered, property owners should have a contract developed between themselves and the vendor or subcontractor hired.

Contractual Risk Transfer – Redefined

A contractual risk transfer is a non-insurance *contract and/or agreement* between the two parties whereby one agrees to hold another party harmless for specified actions, inactions, injuries or damages and indemnify the owner. A well-drafted risk transfer agreement is one of the most effective ways to ensure risk of loss is properly allocated to the party that both creates the risk and has the ability to control that risk.

All contracts and/or agreements should be formalized as a written contract developed by legal counsel, as the use of the property owner's legal counsel is key to ensuring that liability is adequately controlled. The contract wording should include:

- **Hold Harmless Agreement:** A clause in the contract that releases one party from consequences or liabilities due to the act of the other party. It is important to note that hold harmless agreements work both ways – and you need to ensure that this agreement is in your favor.
- **Indemnification:** An indemnity agreement ensuring that proper compensation is available for losses or damage.
- **Waiver of Subrogation:** An endorsement that prohibits an insurance carrier from recovering the money they paid on a claim from a third party that may be negligent.
- **Primary and Noncontributory Requirement:** An inclusive contractual requirement that requires the vendor's or subcontractor's policy to pay before other applicable primary policies and without seeking contribution from other available insurance.
- **Additional Insured Status:** The vendor or subcontractor is required to endorse the property owner onto its general liability policy as an "Additional Insured."

Contact Info:

Phone: 888.486.7466 ext. 363275
Web: www.amtrustfinancial.com
Email: AskLC@amtrustgroup.com
Address: AmTrust Financial - 2605 Enterprise Road, Suite 290, Clearwater, FL 33759

AmTrust maintains this article as a service for its customers. This information is intended to give you a place to start when finding information about a particular safety question. This article is not intended to provide authoritative answers to safety and health questions. Before using the information here, the accuracy and appropriateness of the information to your specific situation should be verified by a person qualified to assess all the factors involved.

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DISCLOSURE NOTICE
WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

Dear Policyholder:

Thank you for being an AmTrust Policyholder. Your policy has a separate percentage deductible for the perils of windstorm and hail. This deductible may be higher than the deductible applied to the other perils covered under your policy. The deductible is the amount you will be responsible for in the event of a loss. Please review the Windstorm or Hail Percentage Deductible form for more information. Here are some examples of how the deductible works:

EXAMPLE #1 – SPECIFIC INSURANCE (This example assumes there is no coinsurance penalty)

The amount of loss to the damaged building is $600,000.

The actual Limit of Insurance on the damaged building is $700,000.

The Deductible is 1%.

Step (1): $700,000 x 1% = $7,000 This is your deductible
Step (2): $600,000 - $7,000 = $593,000

The most we will pay is $593,000. The remainder of the loss, $7,000, is the deductible.

EXAMPLE #2 – SPECIFIC INSURANCE (This example assumes there is no coinsurance penalty)

The amount of loss to the damaged property is $500,000 Building and $40,000 Personal Property.

The actual Limits are $8,000,000 on the building and $640,000 on the personal property.

The Deductible is 5%.

BUILDING

Step (1): $8,000,000 x 5% = $400,000 This is your deductible
Step (2): $500,000 – $400,000 = $100,000

PERSONAL PROPERTY

Step (1): $640,000 x 5% = $32,000
Step (2): $40,000 – $32,000 = $8,000

The most we will pay is $108,000: $100,000 for the building and $8,000 for the Personal Property

More details can be found in the Windstorm or Hail Percentage Deductible form. If you should have any questions, please contact your insurance agent.

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FUNGI OR BACTERIA LIABILITY ENDORSEMENTS DISCLOSURE NOTICE

This notice does NOT form a part of your insurance contract. No coverage is provided by this summary nor can it be construed to replace any provisions of your policy (including its endorsements). This notice is designed to alert you to coverage changes when the following exclusionary endorsement is attached to your policy. You should read your policy and review your Declarations Page for complete information on the coverages you are provided. If there is any conflict between the policy (including its endorsements) and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL**.

Your commercial liability policy is issued with a Fungi or Bacteria Endorsement.

SUMMARY

Fungi or Bacteria Exclusion

When this endorsement is attached to your policy:

- Coverage is restricted to exclude bodily injury or property damage arising, directly or indirectly, out of any fungi, including but not limited to mold, or bacteria on or in a building or structure.
- If applicable, coverage is clarified to exclude personal and advertising injury arising, directly or indirectly, out of any fungi, including but not limited to mold, or bacteria on or in a building or structure.
- Coverage is restricted to exclude clean-up costs associated with fungi or bacteria.
- This exclusion applies whether or not any other cause, event, material or product contributed in any sequence to the injury or damage (N/A in NH, WA).

If a Fungi or Bacteria Exclusion was previously attached to your policy the following restriction is added:

- With the exception of legionella, the exclusion does not apply to fungi or bacteria that are on or contained in a good or product intended for bodily digestion, such as mushrooms.

Limited Fungi or Bacteria Coverage

When this endorsement is attached to your policy:

- Coverage currently provided by your policy for bodily injury or property damage arising, directly or indirectly, out of any fungi, including but not limited to mold, or bacteria on or in a building or structure is now subject to a specific aggregate limit, which is subject to and may be less than the current policy limits.
- If applicable, coverage is clarified to exclude personal and advertising injury arising, directly or indirectly, out of any fungi, including but not limited to mold, or bacteria on or in a building or structure.

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U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – http//www.treas.gov/ofac.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

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PUNITIVE OR EXEMPLARY DAMAGES EXCLUSION
NOTICE TO POLICYHOLDERS

This notice does NOT form a part of your insurance contract. No coverage is provided by this summary nor can it be construed to replace any provisions of your policy. This notice is attached to your policy to explain the inclusion of GL990214 Punitive or Exemplary Damages Exclusion as a mandatory exclusion. The addition of this exclusion does not change or reduce the coverage under your policy. It is being added as an explicit clarification. You should read your policy and review your Declarations Page for complete information on the coverages you are provided. If there is any conflict between the policy (including its endorsements) and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL**

Carefully read your policy, including the endorsements attached to your policy.

Your policy is being issued with the following endorsement:

GL990214– Punitive or Exemplary Damages Exclusion

> This policy does not cover punitive or exemplary damages, or defense costs related thereto. This exclusion applies regardless of any other provisions of this policy or endorsements attached thereto.

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AGENCY CUSTOMER ID: _____

INSURANCE SUPPLEMENT - STANDARD FIRE POLICY ONLY

AGENCY	CARRIER	NAIC CODE
Atlas Insurance Brokers, LLC (VIP)	Wesco Insurance Company	25011
POLICY NUMBER	**APPLICANT / NAMED INSURED**	
WPP2127387 00	Heritage Greens Paired Homes Homeowners' Association, Inc.	

POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 and 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A $100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS $100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED $100 BILLION, YOUR COVERAGE MAY BE REDUCED.

In this state, a terrorism exclusion makes an exception for (and thereby provides coverage for) fire losses resulting from an act of terrorism. Therefore, if you reject this offer of terrorism coverage, that rejection does not apply to fire losses resulting from an act of terrorism. Coverage for such fire losses will be provided in your policy. The additional premium just for such fire coverage is stated below. If you reject the offer described above for terrorism coverage, this premium is due.

Acceptance or Rejection of Terrorism Insurance Coverage

☐ I hereby elect to purchase terrorism coverage for a prospective premium of $ 296.00.

☒ I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that an **exclusion** of certain terrorism losses will be made part of the policy.

If you decline this offer, the premium for terrorism (fire only) coverage is $ 296.00.

Policyholder / Applicant's Signature	Print Name	Date
Policyholder / Applicant's Signature	Print Name	Date
Policyholder / Applicant's Signature	Print Name	Date

Effective Date

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SILICA OR SILICA-RELATED DUST EXCLUSION

DISCLOSURE NOTICE

This notice does NOT form a part of your insurance contract. No coverage is provided by this summary nor can it be construed to replace any provisions of your policy. This notice is designed to alert you to coverage changes when the following exclusionary endorsement is attached to your policy. You should read your policy and review your Declarations Page for complete information on the coverages you are provided. If there is any conflict between the policy (including its endorsements) and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL**.

Your policy is issued with a Silica Exclusion endorsement.

SUMMARY

Silica or Silica-Related Dust Exclusion

This endorsement excludes liability coverage for bodily injury, property damage, and personal and advertising injury because of liability arising out of, resulting from, caused by or contributed to the actual, alleged, threatened or suspected inhalation of, or ingestion of, or contact with, exposure to, existence of, the presence of, or the use of, silica or silica-related dust.

Also excluded are damages, loss, cost or expense arising out of assessing the presence, absence or amount or effects of silica or silica-related dust; identifying, sampling, testing, detecting, cleaning up, monitoring, removing, containing, treating, detoxifying, abating, disposing or mitigating silica or silica-related dust, or supervision, instructions, recommendations, warnings or advice regarding any of the above which had been given or should have been given. Coverage for investigation or defense is also excluded under this endorsement.

Please refer to the “Silica or Silica-Related Dust Exclusion” endorsement for further details.

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Claim Reporting Information

24/7 Toll Free and Email Claims Reporting

- General Liability (888) 239-3909
  (Includes General Liability, Umbrella, BOP, Non-Profit Social Services & Non-Profit Sexual Abuse policies)
- Commercial Auto (888) 239-3909
  (Includes Auto, Transportation & Motor Carrier policies)
- Commercial Property (888) 239-3909
  (Includes Property, BOP, Inland Marine & Crime policies)
- Cyber Liability (877) 207-1047

- General Liability
  glclaimreport@amtrustgroup.com
- Commercial Auto
  commautoclaimreport@amtrustgroup.com
- Commercial Property
  commpropertyclaimreport@amtrustgroup.com
- Cyber Liability
  amtrustcyberclaims@amtrustgroup.com
- Professional and Management Liability Claims
  *Notice only accepted in writing (Includes Employers Practice Liability, Directors & Officers, Errors & Omissions, Lawyers Professional Liability, Fidelity & Financial Institution policies)
  professionalclaims@amtrustgroup.com

Information Required for All Claims Reported

1. Name of the insured and policy number
2. Name and contact information of claimant
3. Date, time and place of accident if applicable
4. Description of accident, incident or wrongful acts
5. Name, phone, and/or email of person making the report
6. Any additional information as indicated by your individual policy

Timely Reporting

Timely reporting of claims is essential so a thorough investigation can be completed and determination of benefits made. We urge you to please report the claim immediately upon notification. You can email us your claim or call our toll-free number above to talk with a customer care representative.

We're Here To Help

After your claim has been filed, we may be in touch to obtain additional information. Our goal is to offer a smooth and hassle-free experience – from your first contact to the claims conclusion. Feel free to also call us with any questions. We're here to help.

Relax And Stay Positive

You have the assurance of our knowledge, expertise, and understanding of the claim process. We're with you all the way.

877.528.7878 I www.amtrustfinancial.com

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UNDERWRITING AND POLICY INQUIRIES

In the event you need to contact someone about this insurance for any reason, please contact your agent. If no agent was involved in the sale of this insurance, or if you have additional questions, you may contact AmTrust Insurance at the address and/or telephone number in your policy. Written correspondence is preferable so that a record of your inquiry is maintained. When contacting your agent or insurance company please have your policy number available.

STATE COMPLAINT INFORMATION

Policyholders have the right to file a complaint with their State Insurance Department. If you have been unable to contact or obtain satisfaction from the insurance company or your agent, or if you need to request a complaint form, you may contact your State Insurance Department. The following states have specific contact information.

Arkansas
ARKANSAS INSURANCE DEPARTMENT Consumer Services Division 1 Commerce Way, Suite 102 Little Rock, AR 72202 1.800.852.5494 or 501.371.2640
California
***CALIFORNIA DEPARTMENT OF INSURANCE** Consumer Services Division 300 S. Spring St., South Tower Los Angeles, CA 90013 1-800-927-4357 *The Department of Insurance requests they be contacted only after discussions with the Insurer, or or your Agent or other representative, or both, have have failed to produce a satisfactory resolution to the problem. This notice is provided in compliance with Section 510 of the California Insurance Code.
Idaho
OFFICE OF THE ATTORNEY GENERAL Consumer Protection Division 954 W. Jefferson, 2nd Floor PO Box 83720 Boise ID 83720-0010 1-800-432-3545 or 208-334-2424
Illinois
OFFICE OF THE ILLINOIS ATTORNEY GENERAL Consumer Protection Bureau 500 South Second Street Springfield, IL 62706 1-800-843-0618
Indiana
STATE OF INDIANA DEPARTMENT OF INSURANCE Consumer Services Division 311 West Washington Street, Suite 300 Indianapolis, IN 46204 800-622-4461 or 317-232-2395 www.in.gov/doi
Virginia
STATE CORPORATION COMMISSION P&C Division, Bureau of Insurance PO Box 1157 Richmond, VA 23218 804-371-9185; FAX 804-371-9396
Wisconsin
OFFICE OF THE COMMISSIONER OF INSURANCE Complaints Department 125 South Webster Street PO Box 7873 Madison, WI 53707-7873 1-800-236-8517 or 1-608-266-0103

AmTrust North America
An AmTrust Financial Company

10/21/2026

Dear Policyholder,

In an effort to provide AmTrust customers with a variety of billing options, the below fee structure will be applied to your new policy.

This fee structure helps customers to meet payment due dates, ensures that valid and properly funded payments are submitted, and provides an incentive for paid-in-full options.

Our fee structure is as follows:

Fee Title	Fee Amount	Description
Returned Payment Fee	$25	A returned payment fee applied to any returned payment.
Late Fee	$20	Late fee applied if payment not received on or before payment due date.
Installment Fee	$15	A “paper” billing fee that is assessed for each mailed installment invoice. Excludes down payment and annual payment plans. Fee is billed at the account level.
Reinstatement Fee	$50	Fee applied upon reinstatement of a non-payment cancellation.
EFT Fee	$3	An “electronic” billing fee that is assessed for each ACH Direct Debit transaction. Fee is billed at the account level.

*Fee amount may vary by state and program of business

For policyholders who choose to pay their annual premium on installments, we plan to implement an installment fee, which will be displayed on your renewal invoice.

Thank you for your attention. If you have any questions, feel free to contact our Customer Service Department at 877.528.7878.

We value you as a policyholder and appreciate the opportunity to serve you.

Sincerely,

AmTrust North America
Customer Service Department

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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.

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".

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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 attorneys' 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 attorneys' 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 even if the claims against any insured allege negligence or other wrongdoing in:

(a) The supervision, hiring, employment, training or monitoring of others by that insured; or

(b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph **(1), (2)** or **(3)** above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of 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".

(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 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;

(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 seven 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.

However, this exclusion does not apply to liability for damages because of "bodily injury".

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. Recording And Distribution Of Material Or Information In Violation Of Law

"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;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

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, in any manner, 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, in any manner, 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".

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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 web sites for others; or

(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. Recording And Distribution Of Material Or Information In Violation Of Law

"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;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, 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.

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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

(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 Paragraph **(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).

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.**

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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

(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.

(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.

(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;

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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 where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

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, bylaws 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, 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.

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.

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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 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".

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

(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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EXCLUSION – VIOLATION OF LAW ADDRESSING DATA PRIVACY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following is added to Paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

Violation Of Law Addressing Data Privacy

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

a. Any federal, state or local statute, ordinance, regulation or other law that addresses, prohibits, or limits access to, use of or the printing, dissemination, disposal, obtaining, collecting, storing, safeguarding, recording, retention, sending, transmitting, communicating, selling or distribution of any person's or organization's confidential or personal material or information, including financial, health, biometric or other nonpublic material or information.

Any such federal, state or local statute, ordinance, regulation or other law includes but is not limited to:

(1) The Illinois Biometric Information Privacy Act (BIPA), including any amendment of or addition to such law; or

(2) The California Consumer Privacy Act (CCPA), including any amendment of or addition to such law; or

b. Any law of a jurisdiction other than the United States of America (including its territories and possessions) or Puerto Rico that is similar to any statute, ordinance, regulation or other law described in Paragraph **a.** above, including but not limited to the European Union's General Data Protection Regulation.

B. The following is added to Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to:

Violation Of Law Addressing Data Privacy

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

a. Any federal, state or local statute, ordinance, regulation or other law that addresses, prohibits, or limits access to, use of or the printing, dissemination, disposal, obtaining, collecting, storing, safeguarding, recording, retention, sending, transmitting, communicating, selling or distribution of any person's or organization's confidential or personal material or information, including financial, health, biometric or other nonpublic material or information.

Any such federal, state or local statute, ordinance, regulation or other law includes but is not limited to:

(1) The Illinois Biometric Information Privacy Act (BIPA), including any amendment of or addition to such law; or

(2) The California Consumer Privacy Act (CCPA), including any amendment of or addition to such law; or

b. Any law of a jurisdiction other than the United States of America (including its territories and possessions) or Puerto Rico that is similar to any statute, ordinance, regulation or other law described in Paragraph **a.** above, including but not limited to the European Union's General Data Protection Regulation.

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WISCONSIN CHANGES – AMENDMENT OF POLICY CONDITIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

1. The following is added to CHANGES (Common Policy Conditions):

If one of our agents knows of a fact that breaches a condition of this Coverage Part, we will be considered to have knowledge of this same fact if:

a. The agent knows of this fact at the time the Coverage Part is issued or an application is made; or

b. The agent later learns of this fact in the course of his dealings as an agent with you.

Any fact that breaches a condition of this Coverage Part and is known to the agent prior to loss shall not void the Coverage Part or prevent a recovery in the event of loss.

2. The LEGAL ACTION AGAINST US Condition (Section **IV**) does not apply.

3. The following is added to Condition **6.** REPRESENTATIONS (Section **IV**):

No misrepresentation or breach of affirmative warranty made by you or on your behalf in the negotiation of this Coverage Part affects our obligation under this Coverage Part unless:

a. We rely on it and it is either material or made with intent to deceive; or

b. The facts misrepresented or falsely warranted contribute to the loss.

No failure of a condition before the loss and no breach of a promissory warranty affects our obligation under this Coverage Part unless such failure or breach:

a. Exists at the time of the loss; and

b. Either increases the risk at the time of the loss or contributes to the loss.

The provisions of this condition do not apply to nonpayment of premium.

4. Condition **8.** TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (Section **IV**) is replaced by the following:

In the event of any payment under this Coverage Part, we will be entitled to the insured's rights of recovery against any person or organization and the insured will do whatever is necessary to secure such rights. We will be entitled to a recovery only after the insured has been fully compensated for damages.

5. CONFORMITY TO STATUTE OR RULE

Any provision of this policy (including endorsements which modify the policy) that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

The term rule means a valid rule promulgated by the Commissioner of Insurance in accordance with the rule-making authority conferred under Wis. Stat. Ann. Section 227.11(2) and published in the Wisconsin Administrative Code.

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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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EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL MATERIAL OR INFORMATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following 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:

Access Or Disclosure Of Confidential Or Personal Material Or Information

"Bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal material or information, including:

a. Patents, trade secrets, processing methods, customer lists;

b. Financial information, credit card information;

c. Health information, biometric information; or

d. Any other type of nonpublic material or information.

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal material or information.

B. The following is added to Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Material Or Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal material or information, including:

a. Patents, trade secrets, processing methods, customer lists;

b. Financial information, credit card information;

c. Health information, biometric information; or

d. Any other type of nonpublic material or information.

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal material or information.

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EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Exclusion **2.g. Aircraft, Auto Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** 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 that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** 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 (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

(a) A watercraft while ashore on premises you own or rent;

(b) A watercraft you do not own that is:

(i) Less than 26 feet long; and

(ii) Not being used to carry persons or property for a charge;

(c) 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;

(d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

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(e) "Bodily injury" or "property damage" arising out of:

(i) 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 where it is licensed or principally garaged; or

(ii) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

B. The following exclusion is added to Paragraph **2. Exclusions** of **Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". 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 offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

a. The use of another's advertising idea in your "advertisement"; or

b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

C. The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

1. Designed;

2. Manufactured; or

3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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COMMUNICABLE DISEASE 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:

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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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 ENDORSEMENT

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.

(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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EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR 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

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".

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 to 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; and

b. 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.

C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

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EXCLUSION – ELECTRONIC DATA – DELETION OF BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The second paragraph ("However, this exclusion does not apply. . .") of Paragraph **p. Electronic Data** under **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is deleted.

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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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EXCLUSION – PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS)

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:

Perfluoroalkyl And Polyfluoroalkyl Substances

a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any "perfluoroalkyl or polyfluoroalkyl substances".

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, "perfluoroalkyl or polyfluoroalkyl substances", 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:

Perfluoroalkyl And Polyfluoroalkyl Substances

a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any "perfluoroalkyl or polyfluoroalkyl substances".

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, "perfluoroalkyl or polyfluoroalkyl substances", by any insured or by any other person or entity.

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C. The following definition is added to the **Definitions** Section:

"Perfluoroalkyl or polyfluoroalkyl substances" means any:

1. Chemical or substance that contains one or more alkyl carbons on which hydrogen atoms have been partially or completely replaced by fluorine atoms, including but not limited to:

a. Polymer, oligomer, monomer or nonpolymer chemicals and their homologues, isomers, telomers, salts, derivatives, precursor chemicals, degradation products or by-products;

b. Perfluoroalkyl acids (PFAA), such as perfluorooctanoic acid (PFOA) and its salts, or perfluorooctane sulfonic acid (PFOS) and its salts;

c. Perfluoropolyethers (PFPE);

d. Fluorotelomer-based substances; or

e. Side-chain fluorinated polymers; or

2. Good or product, including containers, materials, parts or equipment furnished in connection with such goods or products, that consists of or contains any chemical or substance described in Paragraph **C.1.**

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EXCLUSION – CYBER INCIDENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following 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:

Cyber Incident

"Bodily injury" or "property damage" arising out of a "cyber incident".

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other similar cost or expense incurred by you or others arising out of a "cyber incident".

B. The following is added to Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Cyber Incident

"Personal and advertising injury" arising out of a "cyber incident".

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other similar cost or expense incurred by you or others arising out of a "cyber incident".

C. For the purposes of this endorsement, the following definition is added to the **Definitions** Section:

"Cyber incident" means any:

1. Unauthorized access to or use of any computer system.

2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system or otherwise disrupt its normal functioning or operation.

3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

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CONDOMINIUM ASSOCIATION 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, outside of individual units, 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 that are not contained within individual units;

(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; and

(6) Any of the following types of property contained within a unit, regardless of ownership, if your Condominium Association Agreement requires you to insure it:

(a) Fixtures, improvements and alterations that are a part of the building or structure; and

(b) Appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.

But Building does not include personal property owned by, used by or in the care, custody or control of a unit-owner except for personal property listed in Paragraph **A.1.a.(6)** above.

b. Your Business Personal 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 described premises, consisting of the following:

(1) Personal property owned by you or owned indivisibly by all unit-owners;

(2) Your interest in the labor, materials or services furnished or arranged by you on personal property of others; and

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

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But Your Business Personal Property does not include personal property owned only by a unit-owner.

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 described premises.

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;

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 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 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 or warehouse;

(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

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q. The following property while outside of buildings:

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

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

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

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

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

(f) 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.

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 = 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 for you 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.

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.

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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.

(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 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.

(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 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

You may extend the insurance that applies to Building to apply to:

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

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(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.

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.

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.

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.

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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 described premises.

(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.

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.

(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.

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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 to Covered Property 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.

If you name an insurance trustee, we will adjust losses with you, but we will pay the insurance trustee. If we pay the trustee, the payments will satisfy your claims against us.

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. Unit-owner's Insurance

A unit-owner may have other insurance covering the same property as this insurance. This insurance is intended to be primary and not to contribute with such other insurance.

7. 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%.

8. 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.** and **c.** 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.

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

9. Waiver Of Rights Of Recovery

We waive our rights to recover payment from any unit-owner of the condominium that is shown in the Declarations.

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);**

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(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).

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.

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 Loss Condition, Valuation, of this Coverage Form.

b. This Optional Coverage does not apply to:

(1) Personal property of others;

(2) Contents of a residence; or

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

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Under the terms of this Replacement Cost Optional Coverage, personal property owned indivisibly by all unit-owners, and the property covered under Paragraph **A.1.a.(6)** of this Coverage Form, 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.

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.

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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BUSINESS INCOME (AND EXTRA EXPENSE) 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 **F.** Definitions.

A. Coverage

1. Business Income

Business Income means the:

a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and

b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described and limited below for one or more of the following options for which a Limit Of Insurance is shown in the Declarations:

(1) Business Income Including "Rental Value".

(2) Business Income Other Than "Rental Value".

(3) "Rental Value".

If option **(1)** above is selected, the term Business Income will include "Rental Value". If option **(3)** above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit Of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of such premises.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of a building, your premises means:

(a) The portion of the building which you rent, lease or occupy;

(b) The area within 100 feet of the building or within 100 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and

(c) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

2. Extra Expense

a. Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies at that premises.

b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

(1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

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(2) Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

3. Covered Causes Of Loss, Exclusions And Limitations

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

4. Additional Limitation – Interruption Of Computer Operations

a. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.

b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage, Interruption Of Computer Operations.

c. 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.

d. This Additional Limitation does not apply when loss or damage to electronic data involves only electronic data which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

5. Additional Coverages

a. Civil Authority

In this Additional Coverage, Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

(1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and

(2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

(1) Four consecutive weeks after the date of that action; or

(2) When your Civil Authority Coverage for Business Income ends;

whichever is later.

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b. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

(1) New buildings or structures, whether complete or under construction;

(2) Alterations or additions to existing buildings or structures; and

(3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:

(a) Used in the construction, alterations or additions; or

(b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

c. Extended Business Income

(1) Business Income Other Than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

(a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and

(b) Ends on the earlier of:

(i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or

(ii) 60 consecutive days after the date determined in **(1)(a)** above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

(a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and

(b) Ends on the earlier of:

(i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or

(ii) 60 consecutive days after the date determined in **(2)(a)** above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

d. Interruption Of Computer Operations

(1) Under this Additional Coverage, electronic data has the meaning described under Additional Limitation – Interruption Of Computer Operations.

(2) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss. However, we will not provide coverage under this Additional Coverage when the Additional Limitation – Interruption Of Computer Operations does not apply based on Paragraph **A.4.d.** therein.

(3) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:

(a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Interruption Of Computer Operations, 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, Interruption Of Computer Operations, 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, Interruption Of Computer Operations.

(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 an interruption related to 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, maintain, repair or replace that system.

(4) The most we will pay under this Additional Coverage, Interruption Of Computer Operations, is $2,500 (unless a higher limit is shown in the Declarations) for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

(5) This Additional Coverage, Interruption Of Computer Operations, does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in **(4)** above has not been exhausted.

6. Coverage Extension

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

Newly Acquired Locations

a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.

b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is $100,000 at each location, unless a higher limit is shown in the Declarations.

c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

(1) This policy expires;

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(2) 30 days expire after you acquire or begin to construct the property; or

(3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

The Additional Condition, Coinsurance, does not apply to this Extension.

B. Limits Of Insurance

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

Payments under the following coverages will not increase the applicable Limit of Insurance:

1. Alterations And New Buildings;

2. Civil Authority;

3. Extra Expense; or

4. Extended Business Income.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and the Newly Acquired Locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) Of Insurance shown in the Declarations for any other coverage.

C. Loss Conditions

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

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense 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 amount of Net Income and operating expense or 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.

2. Duties In The Event Of Loss

a. You must see that the following are done in the event of loss:

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

(2) Give us prompt notice of the direct physical 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 direct physical 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) 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.

(6) 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.

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

(8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

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.

3. Loss Determination

a. The amount of Business Income loss will be determined based on:

(1) The Net Income of the business before the direct physical loss or damage occurred;

(2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;

(3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and

(4) Other relevant sources of information, including:

(a) Your financial records and accounting procedures;

(b) Bills, invoices and other vouchers; and

(c) Deeds, liens or contracts.

b. The amount of Extra Expense will be determined based on:

(1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

(a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and

(b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

(2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

We will reduce the amount of your:

(1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.

(2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

4. Loss Payment

We will pay for covered loss 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:

a. We have reached agreement with you on the amount of loss; or

b. An appraisal award has been made.

D. Additional Condition

COINSURANCE

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

1. The Coinsurance percentage shown for Business Income in the Declarations; times

2. The sum of:

a. The Net Income (Net Profit or Loss before income taxes), and

b. Operating expenses, including payroll expenses,

that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

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

Step **(1):** Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;

Step **(2):** Divide the Limit of Insurance for the described premises by the figure determined in Step **(1);** and

Step **(3):** Multiply the total amount of loss by the figure determined in Step **(2).**

We will pay the amount determined in Step **(3)** 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.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

(1) Prepaid freight – outgoing;

(2) Returns and allowances;

(3) Discounts;

(4) Bad debts;

(5) Collection expenses;

(6) Cost of raw stock and factory supplies consumed (including transportation charges);

(7) Cost of merchandise sold (including transportation charges);

(8) Cost of other supplies consumed (including transportation charges);

(9) Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;

(10) Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);

(11) All payroll expenses or the amount of payroll expense excluded (if Form **CP 15 10** is attached); and

(12) Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

Example 1 (Underinsurance)

When:	The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been:	$ 400,000
	The Coinsurance percentage is:	50%
	The Limit of Insurance is:	$ 150,000
	The amount of loss is:	$ 80,000

Step **(1):** $400,000 x 50% = $200,000
(the minimum amount of insurance to meet your Coinsurance requirements)

Step **(2):** $150,000 ÷ $200,000 = .75

Step **(3):** $80,000 x .75 = $60,000

We will pay no more than $60,000. The remaining $20,000 is not covered.

Example 2 (Adequate Insurance)

When:	The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been:	$ 400,000
	The Coinsurance percentage is:	50%
	The Limit of Insurance is:	$ 200,000
	The amount of loss is:	$ 80,000

The minimum amount of insurance to meet your Coinsurance requirement is $200,000 ($400,000 x 50%). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than $80,000 (amount of loss).

This condition does not apply to Extra Expense Coverage.

E. Optional Coverages

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

1. Maximum Period Of Indemnity

a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.

b. The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:

(1) The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or

(2) The Limit Of Insurance shown in the Declarations.

2. Monthly Limit Of Indemnity

a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.

b. The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:

(1) The Limit of Insurance, multiplied by

(2) The fraction shown in the Declarations for this Optional Coverage.

Example

When:	The Limit of Insurance is:	$ 120,000
	The fraction shown in the Declarations for this Optional Coverage is:	1/4
	The most we will pay for loss in each period of 30 consecutive days is:	$ 30,000
	($120,000 x 1/4 = $30,000)	
	If, in this example, the actual amount of loss is:	
	Days 1–30:	$ 40,000
	Days 31–60:	$ 20,000
	Days 61–90:	$ 30,000
		$ 90,000
	We will pay:	
	Days 1–30:	$ 30,000
	Days 31–60:	$ 20,000
	Days 61–90:	$ 30,000
		$ 80,000

The remaining $10,000 is not covered.

3. Business Income Agreed Value

a. To activate this Optional Coverage:

(1) A Business Income Report/Work Sheet must be submitted to us and must show financial data for your "operations":

(a) During the 12 months prior to the date of the Work Sheet; and

(b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

(2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Declarations. The Agreed Value should be at least equal to:

(a) The Coinsurance percentage shown in the Declarations; multiplied by

(b) The amount of Net Income and operating expenses for the following 12 months you report on the Work Sheet.

b. The Additional Condition, Coinsurance, is suspended until:

(1) 12 months after the effective date of this Optional Coverage; or

(2) The expiration date of this policy;

whichever occurs first.

c. We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet and Agreed Value:

(1) Within 12 months of the effective date of this Optional Coverage; or

(2) When you request a change in your Business Income Limit of Insurance.

d. If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

(1) The Business Income Limit of Insurance; divided by

(2) The Agreed Value.

Example

When:	The Limit of Insurance is:	$ 100,000
	The Agreed Value is:	$ 200,000
	The amount of loss is:	$ 80,000

Step **(1):** $100,000 ÷ $200,000 = .50

Step **(2):** .50 x $80,000 = $40,000

We will pay $40,000. The remaining $40,000 is not covered.

4. Extended Period Of Indemnity

Under Paragraph **A.5.c., Extended Business Income,** the number 60 in Subparagraphs **(1)(b)** and **(2)(b)** is replaced by the number shown in the Declarations for this Optional Coverage.

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F. Definitions

1. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

2. "Operations" means:

a. Your business activities occurring at the described premises; and

b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

3. "Period of restoration" means the period of time that:

a. Begins:

(1) 72 hours after the time of direct physical loss or damage for Business Income Coverage; or

(2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and

b. Ends on the earlier of:

(1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

(2) The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

(1) Regulates the construction, use or repair, or requires the tearing down, of any property; or

(2) 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".

The expiration date of this policy will not cut short the "period of restoration".

4. "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.

5. "Rental Value" means Business Income that consists of:

a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and

b. Continuing normal operating expenses incurred in connection with that premises, including:

(1) Payroll; and

(2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.

6. "Suspension" means:

a. The slowdown or cessation of your business activities; or

b. That a part or all of the described premises is rendered untenantable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

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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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WISCONSIN CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. The **Concealment, Misrepresentation Or Fraud Commercial Property** Condition is replaced by the following:

CONCEALMENT, MISREPRESENTATION OR FRAUD

1. No misrepresentation and no breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this Coverage Part affects our obligations unless, if a misrepresentation, the person knew or should have known that the representation was false, and unless:

a. We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or

b. The facts misrepresented or falsely warranted contribute to the loss.

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

a. Increases the risk at the time of loss; or

b. Contributes to the loss.

B. Legal Action Against Us

1. The **Legal Action Against Us** Commercial Property Condition is replaced by the following:

LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless the action is brought within 2 years after the date on which the direct physical loss or damage occurred.

2. Paragraph **a.** of Additional Condition **H.5. Legal Action Against Us** in the Mortgageholders Errors And Omissions Coverage Form is replaced by the following:

No one may bring a legal action against us under Coverages **A** and **B** unless the action is brought within 2 years after you discover the error or accidental omission.

3. The following are deleted:

a. The Legal Action Against Us Loss Condition in the Legal Liability Coverage Form; and

b. Paragraph **b.** of Additional Condition **H.5.** Legal Action Against Us in the Mortgageholders Errors And Omissions Coverage Form.

C. The following exclusion and related provisions are added to Paragraph **B.2. Exclusions** in the Causes Of Loss Forms and to any Coverage Form or policy to which a Causes Of Loss Form is not attached:

1. We will not pay for loss or damage arising out of any act committed:

a. By or at the direction of any insured; and

b. With the intent to cause a loss.

2. However, this exclusion will not apply to deny coverage to an insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Coverage Part and:

a. The loss arose out of an act or pattern of abuse or domestic abuse; and

b. The perpetrator of the loss is criminally prosecuted for the act or acts causing the loss.

3. If we pay a claim pursuant to Paragraph **C.2.,** our payment to the innocent insured is limited to that insured's ownership interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

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D. The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Commercial Property Condition:

If we pay an insured for a loss described in Paragraph **C.2.,** the rights of the insured to recover damages from the perpetrator are transferred to us to the extent of our payment. Following the loss, the insured may not waive such rights to recover against the perpetrator.

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

E. The following are added:

1. Knowledge And Acts Of Agents

a. If any of our agents knows any fact that breaches a condition of this policy, we will be considered to know it also if that fact:

(1) Is known to the agent at the time the policy is issued or an application made; or

(2) Later becomes known to the agent in the course of his or her dealings as an agent with you.

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

(1) Void this policy; or

(2) Prevent a recovery in the event of loss.

2. The **Ordinance Or Law** Exclusion in the Basic, Broad and Special – Causes Of Loss Forms, or in any endorsement, does not apply to dwelling properties occupied as a residence by you.

3. Conformity To Statute Or Rule

Any provision of this Coverage Part (including endorsements which modify the Coverage Part) that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

The term rule means a valid rule promulgated by the Commissioner of Insurance in accordance with the rule-making authority conferred under Wis. Stat. Ann. s. 227.11(2) and published in the Wisconsin Administrative Code.

F. The following is added to the **Loss Payment** Loss Condition in the Commercial Property Coverage Part:

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

1. The withheld amount will be paid in accordance with the law, to the following:

a. The municipality where the covered property is located;

b. You and any other interest named in the Declarations; or

c. The mortgageholder, if any.

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

2. Within 10 days after withholding the required amount, we will give written notice of the withholding to the following:

a. The building inspection official of the municipality where the covered property is located;

b. You;

c. Any mortgageholder and any other lienholder who has an existing lien against the property and is named in the Declarations; and

d. The court in which judgment was entered if the final settlement was determined by judgment.

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

G. The following is added to the **Valuation** Loss Condition:

1. When this Coverage Part insures real property in Wisconsin which is owned and occupied by you primarily as a dwelling, and the property is wholly destroyed, we will pay the limit of insurance that applies to such property, subject to the exceptions and conditions in Paragraphs **G.2.** and **G.3.** below.

2. Builders Risk policies of insurance covering property in the process of being constructed shall be valued and settled according to the actual value of that portion of the construction completed at the time of the loss. The Limit of Insurance on a Builders Risk policy represents the value of the building when it is completed.

3. The Valued Policy Provision, Paragraph **G.1.** above, does not apply to any claim for loss to any building which is insured under a blanket form or endorsement with one Limit of Insurance applicable to two or more buildings. When a building, owned and occupied by you primarily as a dwelling, is wholly destroyed, the loss will be settled at the value stated in the most recent Statement of Values on file with us.

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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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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.

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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".

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

(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;

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

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.

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

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

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;

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.

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 caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

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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CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM STANDARD PROPERTY POLICY

SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
1	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
2	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
3	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following applies with respect to loss or damage by a **Covered Cause of Loss (including wind and hail if covered)** to a building or structure identified in the Schedule as being subject to this Paragraph **A.:**

Replacement Cost coverage (if otherwise applicable to such property) does not apply to roof surfacing. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

B. The following applies with respect to loss or damage by **wind and/or hail** to a building or structure identified in the Schedule as being subject to this Paragraph **B.:**

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

C. For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

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SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
4	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
5	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
6	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following applies with respect to loss or damage by a **Covered Cause of Loss (including wind and hail if covered)** to a building or structure identified in the Schedule as being subject to this Paragraph **A.:**

Replacement Cost coverage (if otherwise applicable to such property) does not apply to roof surfacing. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

B. The following applies with respect to loss or damage by **wind and/or hail** to a building or structure identified in the Schedule as being subject to this Paragraph **B.:**

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

C. For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

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SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
7	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
8	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
9	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following applies with respect to loss or damage by a **Covered Cause of Loss (including wind and hail if covered)** to a building or structure identified in the Schedule as being subject to this Paragraph **A.:**

Replacement Cost coverage (if otherwise applicable to such property) does not apply to roof surfacing. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

B. The following applies with respect to loss or damage by **wind and/or hail** to a building or structure identified in the Schedule as being subject to this Paragraph **B.:**

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

C. For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

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SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
10	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
11	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
12	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following applies with respect to loss or damage by a **Covered Cause of Loss (including wind and hail if covered)** to a building or structure identified in the Schedule as being subject to this Paragraph **A.:**

Replacement Cost coverage (if otherwise applicable to such property) does not apply to roof surfacing. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

B. The following applies with respect to loss or damage by **wind and/or hail** to a building or structure identified in the Schedule as being subject to this Paragraph **B.:**

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

C. For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

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SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
13	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
14	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
15	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following applies with respect to loss or damage by a **Covered Cause of Loss (including wind and hail if covered)** to a building or structure identified in the Schedule as being subject to this Paragraph **A.:**

Replacement Cost coverage (if otherwise applicable to such property) does not apply to roof surfacing. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

B. The following applies with respect to loss or damage by **wind and/or hail** to a building or structure identified in the Schedule as being subject to this Paragraph **B.:**

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

C. For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

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SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
16	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
17	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
18	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following applies with respect to loss or damage by a **Covered Cause of Loss (including wind and hail if covered)** to a building or structure identified in the Schedule as being subject to this Paragraph **A.:**

Replacement Cost coverage (if otherwise applicable to such property) does not apply to roof surfacing. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

B. The following applies with respect to loss or damage by **wind and/or hail** to a building or structure identified in the Schedule as being subject to this Paragraph **B.:**

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

C. For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

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Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
19	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
20	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
21	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following applies with respect to loss or damage by a **Covered Cause of Loss (including wind and hail if covered)** to a building or structure identified in the Schedule as being subject to this Paragraph **A.:**

Replacement Cost coverage (if otherwise applicable to such property) does not apply to roof surfacing. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

B. The following applies with respect to loss or damage by **wind and/or hail** to a building or structure identified in the Schedule as being subject to this Paragraph **B.:**

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

C. For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

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Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
22	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
23	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
24	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following applies with respect to loss or damage by a **Covered Cause of Loss (including wind and hail if covered)** to a building or structure identified in the Schedule as being subject to this Paragraph **A.:**

Replacement Cost coverage (if otherwise applicable to such property) does not apply to roof surfacing. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

B. The following applies with respect to loss or damage by **wind and/or hail** to a building or structure identified in the Schedule as being subject to this Paragraph **B.:**

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

C. For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

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SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
25	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
26	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
27	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. The following applies with respect to loss or damage by a **Covered Cause of Loss (including wind and hail if covered)** to a building or structure identified in the Schedule as being subject to this Paragraph **A.:**

Replacement Cost coverage (if otherwise applicable to such property) does not apply to roof surfacing. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

B. The following applies with respect to loss or damage by **wind and/or hail** to a building or structure identified in the Schedule as being subject to this Paragraph **B.:**

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

C. For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS ON COVERAGE FOR ROOF SURFACING

This endorsement modifies insurance provided under the following:

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

SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
28	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.
29	1	• Paragraph A applies to all continuous roof surfacing 15 years or older as of the loss reported date, and applies to loss or damage by wind, including but not limited to Hurricane, Tornado, Straight Line Wind, Derecho and/or Hail to a building or structure identified in the schedule. The age of roof is based on date of full replacement.

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

A. The following applies with respect to loss or damage by a **Covered Cause of Loss (including wind and hail if covered)** to a building or structure identified in the Schedule as being subject to this Paragraph **A.:**

Replacement Cost coverage (if otherwise applicable to such property) does not apply to roof surfacing. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

B. The following applies with respect to loss or damage by **wind and/or hail** to a building or structure identified in the Schedule as being subject to this Paragraph **B.:**

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

C. For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

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CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. The following exclusion is added to Paragraph **B. Exclusions:**

We will not pay for loss or damage caused directly or indirectly by 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.

Cyber Incident

1. Unauthorized access to or use of any computer system (including electronic data).

2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation.

3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

B. Exceptions And Limitations

1. Fire Or Explosion

If a cyber incident as described in Paragraphs **A.1.** through **A.3.** of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

2. Additional Coverage

The exclusion in Paragraph **A.** does not apply to the extent that coverage is provided in the:

a. Additional Coverage – Electronic Data; or

b. Additional Coverage – Interruption Of Computer Operations.

3. Electronic Commerce Endorsement

The exclusion in Paragraph **A.** does not apply to the Electronic Commerce (E-Commerce) endorsement when attached to your policy.

C. Vandalism

The following is added to Vandalism, if Vandalism coverage is not otherwise excluded under the Standard Property Policy or the Causes Of Loss – Basic, Broad or Special Forms and if applicable to the premises described in the Declarations:

Vandalism does not include a cyber incident as described in Paragraph **A.**

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BUSINESS INCOME COVERAGE PROVIDED ON AN ACTUAL LOSS SUSTAINED BASIS (ALS)

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM

The following is added at the end of the first paragraph of **B. Limits Of Insurance**.

If the phrase "ALS for 12 months" is shown as the Limit of Insurance, we will only pay for loss of Business Income that you sustain during the "period of restoration" and that occurs within 12 consecutive months after the date of direct physical loss or damage. We will only pay for payroll expenses for 60 days following the date of direct physical loss or damage, unless a different number of days is shown in the Declarations.

Payroll expense includes:

1. Payroll;
2. Special compensation such as bonuses and other incentive compensation;
3. Employee benefits, if directly related to payroll;
4. FICA payments you pay;
5. Union Dues you pay; and
6. Workers' Compensation premiums.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROPERTY EXPANDED COVERAGE ENDORSEMENT
GOLD
(WITH BUSINESS INCOME AND EXTRA EXPENSE)

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS – SPECIAL FORM
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
COMMERCIAL CRIME COVERAGE FORM (LOSS SUSTAINED FORM)

I. SCHEDULE OF ADDITIONAL AND ENHANCED COVERAGES AND LIMITS

The following is a summary of increased Limits Of Insurance and/or additional coverages provided by this endorsement, subject to the provisions of your policy.

Physical Damage Coverages	Limit Of Insurance	Page #
Accounts Receivable	$250,000	5
Brands And Labels	$25,000	7
Business Personal Property – Expanded Premises	Within 1,000 Feet	3
Business Personal Property – Peak Season	25%	5
Business Personal Property In Temporary Portable Storage	$100,000	5
Claims Settlement Assistance	$25,000	6
Contract Penalties	$25,000	6
Debris Removal	$100,000	3
Electronic Data	$75,000	3
Electronic Data Processing Equipment	$250,000/See Form	8
Fine Arts	$50,000	9
Fire Department Service Charge	$50,000	3
Fungus, Wet Rot, Dry Rot And Bacteria	$50,000	13
Interest In Sold Property	$50,000	6
Newly Acquired Or Constructed Property – Building Newly Acquired Or Constructed Property – Business Personal Property Newly Acquired Or Constructed Property – Period of Coverage	$2,000,000 $1,000,000 180 Days	4
Non-owned Detached Trailers	$10,000	4
Ordinance Or Law-Undamaged Portion Of The Building Ordinance Or Law-Demolition Cost And Increased Cost Of Construction	Building Limit 10% of Building Limit up to $5,000,000 (Combined)	10
Outdoor Property	$250,000/$50,000	4
Outdoor Signs	$25,000	9
Pairs, Sets, Or Parts	See Form	13
Personal Effects And Property Of Others	$50,000	4
Pollutant Clean-up And Removal	$100,000	3
Preservation Of Property	90 Days	3
Property In Custody Of Employees	$25,000	7
Property Off-premises	$250,000	4
Recharge Or Refill Of Fire Protection System	$25,000	6
Reward Reimbursement	$25,000	8
Sewer, Drain, Or Sump Discharge	$50,000	14

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Physical Damage Coverages	Limit Of Insurance	Page #
Spoilage	1,000 Feet, $50,000	8
Tenant's Liability For Damaged Property	$25,000	7
Transit	$75,000	13
Utility Services – Direct Damage	$50,000	13
Valuable Papers And Records	$250,000	4
Water Seepage	$25,000	14
Crime Coverages	**Limit Of Insurance**	**Page #**
Employee Theft	$50,000	15
Forgery Or Alteration	$25,000	15
Money And Securities	$25,000/$15,000	15
Business Income Coverages	**Limit Of Insurance**	**Page #**
Civil Authority	12 Weeks	16
Dependent Properties	$250,000	17
Extended Business Income	180 Days	16
Fungus, Wet Rot, Dry Rot And Bacteria	60 Days	18
Interruption Of Computer Operations	$10,000	16
Newly Acquired Location	$250,000	17
Pollutant Clean-up And Removal	$50,000	19
Sewer, Drain, Or Sump Discharge	$50,000	20
Spoilage	$50,000	19
Utility Services – Time Element	$25,000	18
Web Site Service Provider	$50,000	20

II. CONDITIONS

A. Applicability Of Coverage

Coverages provided in forms attached to your policy are amended by this endorsement where applicable. If two or more coverages apply to the same loss or damage, the broader coverage, and only the broader coverage, will apply.

B. Limit Of Insurance

1. When coverage is provided by this form and another coverage form is attached to this policy, the greater Limit Of Insurance will apply unless indicated otherwise in this form. In no instance will multiple limits apply to coverages which may be duplicated within this policy.

2. Limit Of Insurance identified herein are not excess of, nor in addition to, Limit Of Insurance provided by the coverage or Cause of Loss forms applicable to this endorsement, unless otherwise stated.

3. Coverage is considered to be on an occurrence basis, unless otherwise stated in this form.

C. Deductible

The deductible listed in the Property Declarations will apply unless specific deductible provisions are set forth under any coverage enhancement.

D. Adjusters' Fees

Coverages provided herein are not applicable to fees you may incur by retaining a public adjuster or appraiser.

E. Applicability Of Exclusions

Specific exclusionary endorsements attached to the policy supersede coverage provisions contained in this coverage endorsement.

F. Terms Of Your Policy

Except as specifically provided under this endorsement, all other terms, conditions, and limitations of your policy remain unchanged.

G. Requirement For Covered Cause Of Loss

Except where a specific Covered Cause of Loss is identified in this coverage enhancement, coverage for the losses described herein are applicable only for Covered Causes of Loss as designated in the Causes Of Loss Form attached to the policy.

H. Other Insurance

If there is other insurance under a separate policy covering the same loss or damage as provided for in this coverage enhancement, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, regardless of whether you are able to collect. However, we will not pay more than the applicable Limit Of Insurance.

III. THE **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, CP 00 10,** IS AMENDED AS FOLLOWS:

A. Your Business Personal Property, Section A.1.b., is amended as follows:

The first paragraph is deleted and replaced with the following:

Your Business Personal Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the **YOUR BUSINESS PERSONAL PROPERTY – SEPARATION OF COVERAGE FORM, CP 19 10**.

B. Additional Coverages, Section A.4., is amended as follows:

1. Debris Removal

The Limit Of Insurance for **Debris Removal** is increased to $100,000.

2. Preservation Of Property

Paragraph **(2)** under **Preservation Of Property** is deleted and replaced with the following:

(2) Only if the loss or damage occurs within 90 days after the property is first moved.

3. Fire Department Service Charge

The Limit Of Insurance for **Fire Department Service Charge** is increased to $50,000.

4. Pollutant Clean-up And Removal

The Limit Of Insurance for **Pollutant Clean-up and Removal** is increased to $100,000.

5. Electronic Data

The Limit Of Insurance for Electronic Data is increased to $75,000.

C. Coverage Extensions, Section A.5., is amended as follows:

1. Newly Acquired Or Constructed Property is amended as follows:

a. Buildings

The last paragraph under **Buildings** is deleted and replaced with the following:

The most we will pay for loss or damage under this Extension is $2,000,000 at each building.

b. Your Business Personal Property

The last paragraph in Section **(a)** under **Your Business Personal Property** is deleted and replaced with the following:

The most we will pay for loss or damage under this Extension is $1,000,000 at each building.

c. Period Of Coverage

Paragraph **(b)** under **Period Of Coverage** is deleted and replaced with the following:

(b) 180 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

2. Personal Effects And Property Of Others

The Limit Of Insurance for this Extension is increased to $50,000.

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

Paragraph **(4)** is deleted and replaced with the following:

(4) Under this Extension, the most we will pay to replace or restore the lost information is $250,000. 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.

4. Property Off-premises

Paragraph **(3)** under **Property Off-premises** is deleted and replaced with the following:

(3) The most we will pay for loss or damage under this Extension is $250,000.

5. Outdoor Property

a. Coverage is extended to apply to the following additional causes of loss:

(6) Vandalism and malicious mischief; or

(7) Theft.

b. The most we will pay for loss or damage under this Extension is $250,000. The most we will pay for any one tree, shrub, or plant is $50,000.

6. Non-owned Detached Trailers

The Limit Of Insurance for **Non-owned Detached Trailers** is increased to $10,000.

7. Business Personal Property Temporarily In Portable Storage Units

a. The distance under this Extension is increased to 1,000 feet.

b. The Limit Of Insurance for this Extension is increased to $100,000.

D. The following are added to **Coverage Extensions, Section A.5.**:

h. Business Personal Property – Peak Season

The Limit Of Insurance for Business Personal Property will be increased by 25% at the time of loss, if the loss occurs at a time considered to be a peak period in sales or production, to provide for seasonal variation of total stock value, but this Coverage Extension shall only apply if the Limit Of Insurance for Business Personal Property for the location or building suffering the loss or damage is insured for a minimum of 100% of your average monthly values for the 12 months prior to the loss. If you have not been in business for the 12 months prior to the loss, then the Business Personal Property limit must be a minimum of 100% of average monthly values for the number of months that you have been in business.

If Business Personal Property is covered on a blanket basis, all Business Personal Property covered under the blanket limit must be equal to or greater than 100% of the average monthly values at all locations included within the blanket, for the 12 months prior to the loss (or the number of months that you have been in business if you have not been in business for 12 months prior to the loss.)

This peak season increase in limit shall not be included in the calculations under the Coinsurance condition.

i. Accounts Receivable

(1) The insurance that applies to Business Personal Property is extended to apply to accounts receivable. We will pay:

(a) All amounts due from your customers that you are unable to collect;

(b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;

(c) Collection expenses in excess of your normal collection expenses that are made necessary; and

(d) Other reasonable expenses that you incur to reestablish your records of accounts receivable;

as a result of direct physical loss or damage by any Covered Cause of Loss to your records of accounts receivable.

(2) The most we will pay under this Coverage Extension for loss or damage at the described premises is $250,000.

(3) Paragraph **B. Exclusions** in the Causes of Loss form does not apply to this Coverage Extension except for:

(a) Paragraph **B.1.c., Governmental Action**;

(b) Paragraph **B.1.d., Nuclear Hazard**;

(c) Paragraph **B.1.f., War And Military Action**;

(d) Paragraph **B.2.h.;**

(e) Paragraph **B.2.i.;**

(f) Paragraph **B.3.;** and

(g) Paragraph **B.6.** is added and shown below:

B.6. We will not pay for:

a. Loss or damage caused by or resulting from 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.

b. Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions.

c. Any loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

j. Claims Settlement Assistance

We will pay for your cost to prepare documents as we may specifically request of you during the settlement of a claim. Such documents might include inventories of damaged and undamaged property with their values, photographs, or photocopying.

We will not pay for:

(a) A higher cost of labor or lost time, than is adequate to pay to perform the preparation work; or

(b) The services of attorneys, appraisers, or insurance agents, adjusters, or brokers.

The most we will pay under this grant of coverage for any one occurrence is $25,000.

No deductible shall apply to this coverage.

k. Contract Penalties

We will pay for those amounts that you are required to pay due to the failure to provide your product or service as provided in a written contract. The failure to provide the product or service must be a direct result of a covered loss to covered property. You must make reasonable efforts to provide the product or service from alternate locations or providers for which we will pay the extra cost.

The most we will pay under this Coverage Extension including extra cost, if any, is $25,000.

No deductible shall apply to this coverage.

l. Recharge Or Refill Of Fire Protection System

We will pay your expenses to recharge or refill automatic fire protection systems when such systems are discharged as the result of any of the Covered Causes of Loss.

We will not pay recharging or refilling expenses if the discharge occurred while the system was being tested.

The most we will pay under this Coverage Extension is $25,000.

No deductible shall apply to this coverage.

m. Interest In Sold Property

We will pay to you up to your financial interest in Business Personal Property that you have sold to others under contract that is paid for by the recipient of the property over time, including contracts that defer any payment until a future date, if:

(1) Such Business Personal Property suffers loss or damage from a cause of loss applicable to Business Personal Property at the location from which the sold property came; and

(2) Such Business Personal Property is in the possession of the customer to whom it was sold;

(3) Such Business Personal Property was not abandoned prior to the loss; and

(4) You do not recover the value of your interest in such Business Personal Property from the recipient of the property or from the recipient's insurance company.

The most we will pay under this Coverage Extension is $50,000.

The deductible amount applicable to Business Personal Property at the location from which the sold property originated applies to this coverage.

n. Property In Custody Of Employees

We will pay for loss or damage to property in your custody or in the custody of your employees or your agents, if such loss or damage is caused by a covered cause of loss and such property is:

(1) not at a described location at the time of the loss; and

(2) not property you have sold that is being delivered; and

(3) is used in the conduct of your business such as samples of your stock, equipment used to demonstrate or exhibit your stock, or is digital media or paper used to record the sale of your stock.

We will not pay for loss to vehicles, trailers, or the cost to recreate lost information.

The most we will pay under this Coverage Extension is $25,000.

No deductible shall apply to this coverage.

o. Tenant's Liability For Damaged Property

We will pay for loss or damage that you are obligated to pay under the terms of your lease, if the damage is to:

(1) Property of the building owner located in the portion of the building which is leased to you;

(2) The building in which you are a tenant, if caused by theft or attempted theft of your property. Such liability for payment must arise solely out of the terms of your lease. There is no coverage under this grant of coverage for property which is covered elsewhere in this policy.

The most we will pay under this Coverage Extension is $25,000.

The Building or Business Personal Property Deductible applicable to your own property at the same location as the lessor's damaged property is applicable to the property covered under this coverage.

p. Brands And Labels

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

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

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

We will pay reasonable costs you incur to perform these activities, however, we will only pay the lesser of the applicable limit of insurance for the damaged property or the total of the cost of stamping or re-labeled and the value of the property.

The most we will pay under this Coverage Extension is $25,000.

No deductible shall apply to this coverage.

q. Reward Reimbursement

Coverage is extended to provide a reward for information that leads to a criminal conviction in connection with loss or damage to Covered Property by a Covered Cause of Loss, provided that the reward is pre-approved by the Company.

The most we will pay for loss or damage under this Coverage Extension is $25,000 regardless of the number of person's involved providing information.

No deductible shall apply to this coverage.

r. Spoilage

(1) We will pay for direct physical loss or damage to your perishable Business Personal Property while at or within 1,000 feet of the described premises caused by spoilage due to changes in temperature or humidity resulting from:

(a) Complete or partial interruption of electrical power to the described premises due to conditions beyond your control; or

(b) Mechanical breakdown or failure of heating, cooling or humidity control equipment or apparatus at the described premises.

(2) We will not pay for loss or damage caused by or resulting from:

(a) The disconnection of any heating, cooling or humidity control equipment or apparatus from the source of power;

(b) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current; or

(c) The inability of an electric utility company or other power source to provide sufficient power due to:

(i) Lack of fuel; or

(ii) Governmental order;

(d) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand; or

(e) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

The most we will pay under this Coverage Extension is $50,000.

s. Electronic Data Processing Equipment

(1) Coverage

(a) Covered Property is either your property or the property of others in your care and used by you in your business or profession at the premises listed on the Declarations, including:

(i) "Hardware"

(ii) "Data"

(iii) "Media"

(b) Property Not Covered:

(i) Accounts, records, documents and other valuable papers, except as they may be converted to "data" and stored on "media", and then only in that converted form.

(ii) Property of yours that you have rented, leased or loaned to someone else.

(iii) Electronic alarm systems.

(c) Coverage Extensions

(i) We will pay for loss or damage to backup "data" stored at an offsite premises.

(ii) We will pay up to $10,000 for loss or damage to your covered property while temporarily located away from your premises or while in transit within the territory covered by this policy.

(iii) We will pay for loss or damage to your covered property while in transit to, and while at a temporary storage location to avoid imminent loss, provided we are notified in writing within 365 days of such move.

The most we will pay under this Coverage Extension is $250,000.

t. Fine Arts

(1) Coverage

We will pay up to $50,000 to cover direct physical loss or damage to property defined as "Fine Arts" caused by a Covered Cause of Loss.

We will cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded by the Causes of Loss Form.

We will not pay for loss caused by repairs or restoration upon the covered property. We will not pay for any reduction in the value of damaged property after the damage has been repaired.

(2) Valuation

In the event of loss or damage, we will pay the actual cash value of the item, subject to the limitation of any one occurrence. The actual cash value will be the price the insured paid for the item or the value as determined by an appraisal of the item not more than 360 days prior to the date of loss or damage.

In no event will the actual cash value exceed the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practical.

u. Outdoor Signs

We will pay for direct physical loss or damage to all outdoor signs, whether or not the sign is attached to a building, at the described premises:

(1) Owned by you; or

(2) Owned by others but in your care, custody or control, subject to the terms and conditions of the Causes of Loss Form and of the Building And Personal Property Coverage Form, as attached to this policy and as amended below.

For this coverage only, the **Causes Of Loss Form** is amended as follows:

a. Paragraph **B., Exclusions** in the **Causes Of Loss Form** does not apply to this Coverage, except for:

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

(2) Paragraph **B.1.d., Nuclear Hazar**d;

(3) Paragraph **B.1.f., War And Military Actio**n;

(4) Paragraph **B.2.a.;**

(5) Paragraph **B.2.b.;**

(6) Paragraph **B.2.h.;**

(7) Paragraph **B.2.i.;**

(8) Paragraph **B.2.m.;** and

(9) Paragraph **B.3.**

b. We will not pay for loss or damage caused by or resulting from:

(1) Building decay;

(2) Insect or vermin damage; or

(3) Use of defective materials

except as covered under the **Additional Coverage – Collapse;**

c. We will not pay for loss or damage caused by or resulting from:

(1) Hidden or latent defect other than described in **b.** above;

(2) Rust;

(3) Corrosion;

(4) Wear and tear;

(5) Mechanical breakdown;

(6) Breakage during transportation; or

(7) Breakage during installation, repairing, or dismantling.

The most we will pay under this Coverage Extension is $25,000 per sign.

v. Ordinance Or Law

(1) Application Of Coverage(s)

The coverage(s) provided by this Section applies with respect to an ordinance or law that regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises, subject to the following:

(a) The requirements of the ordinance or law are in force at the time of loss; or the ordinance or law is promulgated or revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

(b) Coverage under this Section applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this endorsement.

(c) Coverage under this Section applies only if:

(i) The building sustains direct physical damage that is covered under this policy and as a result of such damage, you are required to comply with the ordinance or law; or

(ii) The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and as a result of the building damage in its entirety, you are required to comply with the ordinance or law.

However, there is no coverage under this Section if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, even if the building has also sustained covered direct physical damage

(d) If coverage applies under this Section based on the terms of Paragraph **(1)(c)(ii)**, we will not pay the full amount of loss otherwise payable under the terms of **Coverages A**, **B**, and/or **C** of this Section. Instead, we will pay a proportion of such loss, meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

(Paragraph **(5)** of this Section provides an example of this procedure.)

However, if the covered direct physical damage, alone, would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of **Coverages A**, **B** and/or **C** of this Section.

(e) We will not pay under this Section for:

(i) Enforcement of or compliance with any ordinance or law which requires the 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

(ii) The costs associated with the enforcement of or compliance with any 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.

(f) We will not pay under this Section for any loss in value or any cost incurred due to an ordinance or law that you were required to comply with before the time of the current loss, even in the absence of building damage, if you failed to comply.

(2) Coverage

(a) Coverage A – Coverage For Loss To The Undamaged Portion Of The Building

With respect to the building that has sustained covered direct physical damage, we will pay under **Coverage A** for the loss in value of the undamaged portion of the building as a consequence of a requirement to comply with an ordinance or law that requires demolition of undamaged parts of the same building.

Coverage A is included within the Limit Of Insurance applicable to such building as shown in the Schedule or addressed elsewhere in this policy. **Coverage A** does not increase the Limit Of Insurance.

(b) Coverage B – Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building as a consequence of a requirement to comply with an ordinance or law that requires demolition of such undamaged property.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

(c) Coverage C – Increased Cost Of Construction Coverage

Paragraph **A.4.e.** is deleted and replaced with the following:

With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:

(i) Repair or reconstruct damaged portions of that building; and/or

(ii) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of a requirement to comply with the minimum standards of the ordinance or law.

However:

(a) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

(b) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost Of Construction Coverage.

(3) Loss Payment

(a) All following loss payment provisions, **(3)(b)** through **(3)(c)**, are subject to the apportionment procedures set forth in Paragraph **(1)(e)** of this Section.

(b) When there is a loss in value of an undamaged portion of a building to which **Coverage A** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

(i) If the Replacement Cost Coverage Option applies and such building is being repaired or replaced, on the same or another premises, we will not pay more than the lesser of:

(a) The amount you would actually spend to repair, rebuild or reconstruct such building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or

(b) The Limit Of Insurance applicable to such building as shown in the Declarations or addressed elsewhere in this policy. (If this policy is endorsed to cover Earthquake and/or Flood as a Covered Cause of Loss, the Limit Of Insurance applicable to the building in the event of damage by such Covered Cause of Loss may be lower than the Limit Of Insurance that otherwise would apply.)

(ii) If the Replacement Cost Coverage Option applies and such building is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of:

(a) The actual cash value of such building at the time of loss; or

(b) The Limit Of Insurance applicable to such building as shown in the Declarations or addressed elsewhere in this policy. (If this policy is endorsed to cover Earthquake and/or Flood as a Covered Cause of Loss, the Limit Of Insurance applicable to the building in the event of damage by such Covered Cause of Loss may be lower than the Limit Of Insurance that otherwise would apply.)

(c) The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost Of Construction, is the Combined Limit Of Insurance shown for **Coverages B** and **C** in the Schedule. Subject to this Combined Limit Of Insurance, the following loss payment provisions apply:

(i) For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

(ii) With respect to the Increased Cost Of Construction:

(a) We will not pay for the increased cost of construction:

(i) Until the building 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.

(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 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 is the increased cost of construction at the new premises.

(4) Regardless of the number of buildings or locations, the terms of this Section apply per occurrence.

(5) Example of proportionate loss payment for Ordinance Or Law Coverage Losses (procedure as set forth in Paragraph **(1)(e)**).

Assume:

- Wind is a Covered Cause of Loss; Flood is an excluded Cause of Loss
- The building has a value of $200,000
- Total direct physical damage to building: $100,000
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value

- Portion of direct physical damage that is covered (caused by wind): $30,000
- Portion of direct physical damage that is not covered (caused by flood): $70,000
- Loss under Ordinance Or Law **Coverage C** of this endorsement: $60,000

Step 1: Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$30,000 ÷ $100,000 = .30

Step 2: Apply that proportion to the Ordinance or Law loss.

$60,000 x .30 = $18,000

In this example, the most we will pay under this endorsement for the **Coverage C** loss is $18,000, subject to the applicable Limit Of Insurance and any other applicable provisions.

Note: The same procedure applies to losses under **Coverages A** and **B** of this Coverage Extension.

E. Loss Conditions, Section E., is amended to include the following:

Pairs, Sets Or Parts

When loss or damage occurs to one item in a covered pair or to one or more (but not all) items in a covered set, in addition to the value of the individual damaged item(s), we will pay for the reduction in total value of the remaining undamaged item(s) of the pair or set.

IV. THE **CAUSES OF LOSS – SPECIAL FORM, CP 10 30,** IS AMENDED AS FOLLOWS:

A. The Limit Of Insurance for **Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria, Section E.,** is increased to $50,000.

B. Additional Coverage Extensions, Section F., is amended as follows:

1. Property In Transit, Section **a.,** is deleted and replaced with the following:

a. You may extend the insurance provided by this Coverage Part to apply to your personal property in transit while:

(1) In or on a motor vehicle you own, lease, or operate; or

(2) Shipped at your own risk;

Between points in the coverage territory.

2. Property In Transit, Section **c.** is deleted and replaced with the following:

c. The most we will pay for loss or damage under this Coverage Extension is $75,000.

C. The following are added to **Additional Coverage Extensions, Section F.**:

4. Utility Services – Direct Damage

We will pay for loss or damage to Covered Property caused by the interruption of incoming utility service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to property described as follows under Utility Services:

Utility Services

a. Water supply services means the following types of property supplying water to the described premises:

(1) Pumping stations; and

(2) Water mains.

b. Wastewater removal property, meaning a utility system for removing wastewater and sewage from the described premises, other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities.

Coverage under this endorsement does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.

c. Communication supply services means property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

(1) Communication transmission lines including optic fiber transmission lines;

(2) Coaxial cables; and

(3) Microwave radio relays except satellites.

Communication supply services does not include overhead transmission and distribution lines.

d. Power supply services means the following types of property supplying electricity, steam, or gas to the described premises:

(1) Utility generating plants;

(2) Switching stations;

(3) Substations;

(4) Transformers; and

(5) Transmission lines.

Power supply services does not include overhead transmission and distribution lines.

The most we will pay for loss or damage under this Coverage Extension is $50,000.

5. Water Seepage

We will pay for direct physical loss or damage to covered property, caused by or resulting from water under the ground surface pressing on, or flowing or seeping through foundations, walls, floors, paved surfaces, basements (whether paved or not), doors, windows or other openings located on premises described in the declarations, provided such water is not caused by a flood or from flood-related conditions. Flood-related conditions include surface water, waves (including tidal wave and tsunami), tides, tidal water, and overflow of any body of water, including storm surge.

To the extent that the Water Exclusion under the Cause of Loss Form might conflict with the coverage provided here, the Water Exclusion does not apply to such coverage.

The most we will pay under this grant of coverage is $25,000.

6. Sewer, Drain, Or Sump Discharge (Not Flood-Related)

We will pay for direct physical loss or damage to Covered Property, caused by or resulting from water or waterborne material that backs up, overflows, or is otherwise discharged from a sewer, drain or sump located on premises described in the declarations, provided such discharge is not caused by flood or flood-related conditions. Flood-related conditions include: surface water, waves (including tidal wave and tsunami), tides, tidal water, and overflow of any body of water, including storm surge. For the purpose of this endorsement, the term drain includes a roof drain and related fixtures.

We will not pay for direct damage if the discharge results from an insured's failure to perform routine maintenance or repair necessary to keep a sewer or drain or a sump, sump pump or related equipment, free from obstruction and in proper working condition.

We will not pay the cost of repairing or replacing a sewer, drain, sump, sump pump or any related parts or equipment.

To the extent that the Water Exclusion under the Cause of Loss Form might conflict with coverage provided here, the Water Exclusion does not apply to this coverage.

The most we will pay under this Coverage Extension for direct physical loss or damage in any policy year is $50,000.

V. THE **COMMERCIAL CRIME COVERAGE FORM (LOSS SUSTAINED FORM), CR 00 21,** IS AMENDED AS FOLLOWS:

A. Insuring Agreements

The first Paragraph of Section **A., Insuring Agreements**, is deleted in its entirety and replaced by the following:

Coverage is provided under the following Insuring Agreements for which a Limit Of Insurance is shown in the Schedule of Coverages and applies to loss that you sustain resulting directly from an "occurrence" taking place during the Policy Period shown in the policy, except as provided in Condition **E.1.k.** or **E.1.l.,** which is "discovered" by you during the Policy Period shown in the policy or during the period of time provided in the Extended Period To Discover Loss Condition **E.1.g.**:

Paragraph **A. 5**. **Outside the Premises** is amended by adding the following:

c. In regards to **a.** and **b.** we will pay only for the amount of loss that you can not recover**:**

(i) Under your contract with the "messenger" or armored motor vehicle; and

(ii) From any insurance or indemnity carried by, or for the benefit of customers of, the "messenger" or armored motor vehicle company.

B. Limit Of Insurance

Section **B.** is deleted in its entirety and replaced with the following:

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 Schedule of Coverages.

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

Section **C., Deductible**, is deleted and replaced with the following:

C. Deductible

We will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the greater of $500 or the deductible amount shown in the Schedule of Coverages under Crime coverage. if it is a higher deductible. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit Of Insurance.

VI. THE **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, CP 00 30,** IS AMENDED AS FOLLOWS:

A. Additional Coverages, Section A.5., is amended as follows:

1. Civil Authority

The last two paragraphs of **Additional Coverages – Civil Authority** are deleted and replaced with the following:

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to twelve consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

(1) Twelve consecutive weeks after the date of that action; or

(2) When your Civil Authority Coverage for Business Income ends;

whichever is later.

2. Extended Business Income – **Other Than "Rental Value"**

Section **(1)(b)(ii)** of **Additional Coverages – Extended Business Income** is deleted and replaced with the following:

(ii) 180 consecutive days after the date determined in **(1)(a)** above.

3. Extended Business Income – "**Rental Value** "

Section **(2)(b)(ii)** of **Additional Coverages – Extended Business Income** is deleted and replaced with the following:

(ii) 180 consecutive days after the date determined in **(2)(a)** above.

4. Interruption Of Computer Operations

Section **(4)** of **Additional Coverages – Interruption of Computer Operations** is deleted replaced with the following:

(4) The most we will pay under this Additional Coverage is $10,000 for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved.

If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption that begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

5. Newly Acquired Locations

(1) **Section b.** of **Coverage Extension – Newly Acquired Locations** is deleted and replaced with the following:

b. The most we will pay under this coverage, for the sum of Business Income loss and Extra Expense incurred, is $250,000 at each location.

(2) **Section c.** of **Coverage Extension – Newly Acquired Locations** is deleted and replaced with the following:

c. Insurance under this coverage for each newly acquired location will end when any of the following first occurs:

(1) This policy expires;

(2) 180 days expire after you acquire or begin to construct the property; or

(3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

B. The following coverages are added to **Additional Coverages, Section 5.**:

e. Dependent Properties

(1) We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to "dependent property", caused by or resulting from a Covered Cause of Loss. However, coverage under this Additional Coverage does not apply when the only loss to "dependent property" is loss or damage to electronic data, including destruction or corruption of electronic data. If the "dependent property" sustains loss or damage to electronic data and other property, coverage under this endorsement will not continue once the other property is repaired, rebuilt or replaced. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

(2) A Business Income loss arising out of loss or damage at the premises of a "dependent property" which is located outside of the Coverage Territory is not covered under this Additional Coverage.

(3) The provisions of the Business Income Coverage Form respecting direct physical loss or damage at dependent property premises will apply separately to each separate dependent property premises, except that, with respect to Limits, two or more dependent properties sustaining loss in the same occurrence shall be considered as one dependent property.

(4) Under **Resumption Of Operations, Section C.3.c.**, the following is added:

We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available:

(a) Source of materials; or

(b) Outlet for your products.

(5) The most we will pay for your Business Income and Extra Expense loss under this

Additional Coverage from any one or more dependent property premises as described in **5.a. (1), (2), (3),** and **(4)** above, is the lesser of the Business Income Coverage limit or $250,000.

f. “Fungus”, Wet Rot, Dry Rot And Bacteria

(1) We will pay for your Business Income loss due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to a scheduled premises, caused by or resulting from “fungus”, wet rot, dry rot, or bacteria.

(2) The most we will pay is the lesser of the Business Income limit or the amount of Business Income loss incurred for up to 60 days.

g. Utility Services – Time Element

(1) Coverage

Coverage for Business Income and/or Extra Expense, as provided and limited in the applicable Coverage Form, is extended to apply to a "suspension" of "operations" at the described premises caused by an interruption of an incoming utility service to that premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the property described in Paragraph **5.** below.

(2) Waiting Period

Coverage begins after the same number of hours applicable to Business Income Coverage under the Business Income Coverage Form or as amended**,** from the time of direct physical loss or damage by a covered cause of loss to the premises of the provider of the utility service.

(3) Duration Of Coverage

(a) Begins:

(i) Following expiration of the waiting period, if any, for Business Income; or

(ii) At the time of interruption of utility service to the described premises, for Extra Expense

and

(b) Ends when:

(i) "Operations" are fully resumed by any legal means; or

(ii) "Operations" could be fully resumed with reasonable speed following restoration of utility service to the described premises;

whichever occurs first.

The expiration date of this policy will not cut short the duration of coverage under this endorsement.

The "period of restoration" definition in the Business Income Coverage Form, or in any endorsement amending the Coverage Form, does not apply to the coverage provided under this Additional Coverage.

(4) Exception

Coverage under this endorsement does not apply to Business Income loss or Extra Expense related to interruption in utility service that causes loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

(5) Utility Services

(a) Water supply services, meaning the following types of property supplying water to the described premises:

(i) Pumping stations; and

(ii) Water mains.

(b) Wastewater removal property, meaning a utility system for removing wastewater and sewage from the described premises, other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities.

Coverage under this endorsement does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.

(c) Communication supply services, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:

(i) Communication transmission lines, including optic fiber transmission lines;

(ii) Coaxial cables; and

(iii) Microwave radio relays except satellites.

Communication supply services does not include overhead transmission and distribution lines.

(d) Power supply services**,** meaning the following types of property supplying electricity, steam or gas to the described premises:

(i) Utility generating plants;

(ii) Switching stations;

(iii) Substations;

(iv) Transformers; and

(v) Transmission lines.

Power supply services does not include overhead transmission and distribution lines.

(6) The Coinsurance Additional Condition does not apply to this endorsement.

(7) The most we will pay under this Additional Coverage arising from any one or more off-premises utility services as described in **(5)(a), (5)(b), (5)(c)**, and **(5)(d)** above is the lesser of the Business Income limit or $25,000.

h. Pollutant Clean-up And Removal

(1) If we pay your expense to extract "pollutants" from land or water at the described premises because the discharge, dispersal, seepage, migration, release or escape of the "pollutants" was caused by or resulted from a Covered Cause of Loss that occurs during the policy period, we will pay the amount of actual and necessary loss of Business Income you sustain during the increased period of "suspension" of "operations" caused by or resulting from the extraction and removal of these “pollutants”.

(2) The most we will pay under this Coverage Extension is the lesser of the Business Income limit or $50,000.

i. Spoilage

(1) We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to “perishable stock” held within refrigeration equipment at a scheduled premise, caused by or resulting from:

(a) A Covered Cause of Loss damaging the refrigeration equipment or damaging the on-site equipment controlling or monitoring the refrigeration equipment;

(b) Breakdown of the refrigeration equipment or of the on-site controlling or monitoring equipment; or

(c) Contamination of the “perishable stock” by a refrigerant.

(2) We will not pay for loss or damage caused by or resulting from:

(a) The disconnection of any refrigerating, cooling or humidity control system from the source of power;

(b) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current;

(c) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:

(i) Lack of fuel; or

(ii) Governmental order;

(d) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand; or

(e) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

(3) The most we will pay under this Coverage Extension is the lesser of the Business Income limit or $50,000.

j. Web Site Service Provider

(1) We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to an independent contractor web site service provider, caused by or resulting from a Covered Cause of Loss. The web site service must maintain a web site on your behalf, which is used to produce business for you. However, coverage under this Extension does not apply when the only loss to the web site service provider is loss or damage to electronic data, including destruction or corruption of electronic data. If the web site service provider sustains loss or damage to electronic data and other property, coverage under this endorsement will not continue once the other property is repaired, rebuilt or replaced. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

(2) Under the **Loss Determination** Loss Condition, the following is added to the **Resumption Of Operations** Provision:

We will reduce the amount of your Business Income loss to the extent you can resume "operations", in whole or in part, by using a back-up copy of the web site design and code.

(3) The most we will pay under this Coverage Extension is the lesser of the Business Income limit or $50,000.

k. Sewer, Drain Or Sump Discharge (Not Flood-Related)

(1) We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to Covered Property caused by or resulting from water or waterborne material that backs up, overflows, or is otherwise discharged from a sewer, drain or sump located on premises described in the declarations, provided such discharge is not caused by flood or flood-related conditions. Flood-related conditions include: surface water, waves (including tidal wave and tsunami), tides, tidal water, and overflow of any body of water, including storm surge. For the purpose of this endorsement, the term drain includes a roof drain and related fixtures.

(2) We will not pay for the actual loss of Business Income if the discharge results from an insured's failure to perform routine maintenance or repair necessary to keep a sewer or drain or a sump, sump pump or related equipment, free from obstruction and in proper working condition.

We will not pay the cost of repairing or replacing a sewer, drain, sump, sump pump or any related parts or equipment.

To the extent that the Water Exclusion under the Cause of Loss Form might conflict with coverage provided here, the Water Exclusion does not apply to this coverage.

(3) The most we will pay under this Coverage Extension in any policy year is the lesser of the Business Income limit or $50,000.

VII. DEFINITIONS

The following definitions are intended for this form only and supersede any of those which are elsewhere stated or defined outside of this endorsement.

A. “Data” means information stored electronically and includes facts, instructions, concepts and programs converted to a form useable in electronic data processing operations.

B. "Dependent property" means property operated by others whom you depend on to:

1. Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers any of the following services is not a Contributing Location with respect to such services:

a. Water supply services;

b. Power supply services;

c. Wastewater removal services; or

d. Communication supply services, including services relating to Internet access or access to any electronic network;

2. Accept your products or services (Recipient Locations);

3. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or

4. Attract customers to your business (Leader Locations).

C. “Fine Arts” means paintings, etchings, pictures, tapestries, rare or art glass, art glass windows, valuable rugs, statuary, sculptures, “antique” furniture, “antique” jewelry, bric-a-brac. porcelains, and similar property of rarity, historical value or artistic merit.

“Antique” means an object having value because its:

1. craftsmanship is in the style or fashion of former times; and

2. age is 100 years old or older.

D. "Hardware" means a network of electronic machine components (microprocessors) capable of accepting instructions and information, processing the information according to the instructions, and producing desired results.

1. "Hardware" includes but is not limited to:

a. mainframe and mid-range computers and network servers;

b. personal computers and workstations;

c. laptops, palmtops, notebook PCs, other portable computer devices and accessories including, but not limited to, multimedia projectors; and

d. peripheral data processing equipment, including but not limited to, printers, keyboards, monitors, and modems.

2. "Hardware" does not include:

a. software;

b. telecommunications equipment;

c. reproduction equipment;

d. protection and control systems; and

e. off-site server and on-site server.

E. "Media" means processing, recording, or storage media used with "hardware". This includes but is not limited to films, tapes, cards, discs, drums, cartridges, or cells.

F. "Period of restoration", with respect to "dependent property", means the period of time that:

1. Begins 72 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property"; and

2. Ends on the date when the property at the premises of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

a. Regulates the construction, use or repair, or requires the tearing down, of any property; or

b. 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".

The expiration date of this policy will not cut short the "period of restoration".

G. "Period of restoration", with respect to Web Site Service Provider Coverage, means the period of time that:

1. Begins at the time of direct physical loss or damage at the property premises of the Web Site Services Provider, caused by or resulting from any Covered Cause of Loss shown for Business Income Coverage at the described premises; and

2. Ends on the earlier of:

a. The date when the property at the Web Site Services Provider should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

b. The date when business of the Web Site Service Provider’s property is resumed at a new permanent location; or

c. The end of 60 continuous days.

"Period of restoration" does not include any increased period required to repair or reconstruct the property to comply with the minimum standards of any ordinance or law, in force at the time of loss that regulates the construction or repair, or requires the tearing down of any property.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that 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".

H. “Period of restoration” with respect to coverages other than “dependent property” and Web Site Service Provider means the period of time that:

1. Begins:

a. 72 hours after the time of direct physical loss or damage for Business Income Coverage; or

b. Immediately after the time of direct physical loss or damage for Extra Expense Coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and

2. Ends on the earlier of:

a. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

b. The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:

(1) Regulates the construction, use or repair, or requires the tearing down, of any property; or

(2) 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".

The expiration date of this policy will not cut short the "period of restoration".

I. "Perishable stock" means personal property:

1. Maintained under controlled conditions for its preservation; and

2. Susceptible to loss or damage if the controlled conditions change.

J. "Suspension" means:

1. The slowdown or cessation of your business activities; or

2. That a part or all of the described premises is rendered un-tenantable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm Or Hail Deductible Percentage
1	1	5%
2	1	5%
3	1	5%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

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.

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 and 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.

WINDSTORM OR HAIL 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; and

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.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable 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; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

3. 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, we will deduct an amount equal to a

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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 in the Schedule for any described premises.

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 an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

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 an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is that shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

D. Calculation Of The Deductible – Builders' Risk Insurance

1. Builders' Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

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

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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.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm Or Hail Deductible Percentage
4	1	5%
5	1	5%
6	1	5%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

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.

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 and 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.

WINDSTORM OR HAIL 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; and

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.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable 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; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

3. 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, we will deduct an amount equal to a

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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 in the Schedule for any described premises.

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 an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

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 an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is that shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

D. Calculation Of The Deductible – Builders' Risk Insurance

1. Builders' Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

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

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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.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm Or Hail Deductible Percentage
7	1	5%
8	1	5%
9	1	5%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

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.

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 and 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.

WINDSTORM OR HAIL 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; and

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.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable 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; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

3. 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, we will deduct an amount equal to a

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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 in the Schedule for any described premises.

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 an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

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 an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is that shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

D. Calculation Of The Deductible – Builders' Risk Insurance

1. Builders' Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

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

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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.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm Or Hail Deductible Percentage
10	1	5%
11	1	5%
12	1	5%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

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.

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 and 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.

WINDSTORM OR HAIL 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; and

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.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable 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; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

3. 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, we will deduct an amount equal to a

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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 in the Schedule for any described premises.

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 an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

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 an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is that shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

D. Calculation Of The Deductible – Builders' Risk Insurance

1. Builders' Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

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

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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.

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WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

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CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm Or Hail Deductible Percentage
13	1	5%
14	1	5%
15	1	5%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

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.

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 and 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.

WINDSTORM OR HAIL 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; and

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.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable 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; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

3. 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, we will deduct an amount equal to a

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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 in the Schedule for any described premises.

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 an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

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 an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is that shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

D. Calculation Of The Deductible – Builders' Risk Insurance

1. Builders' Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

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

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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.

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WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

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

SCHEDULE

Premises Number	Building Number	Windstorm Or Hail Deductible Percentage
16	1	5%
17	1	5%
18	1	5%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

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.

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 and 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.

WINDSTORM OR HAIL 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; and

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.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable 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; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

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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 in the Schedule for any described premises.

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 an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

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a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

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 an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is that shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

D. Calculation Of The Deductible – Builders' Risk Insurance

1. Builders' Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

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b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

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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

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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.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm Or Hail Deductible Percentage
19	1	5%
20	1	5%
21	1	5%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

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.

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 and 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.

WINDSTORM OR HAIL 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; and

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.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable 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; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

3. 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, we will deduct an amount equal to a

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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 in the Schedule for any described premises.

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 an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

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 an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is that shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

D. Calculation Of The Deductible – Builders' Risk Insurance

1. Builders' Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

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

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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.

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WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm Or Hail Deductible Percentage
22	1	5%
23	1	5%
24	1	5%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

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.

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 and 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.

WINDSTORM OR HAIL 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; and

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.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable 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; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

3. 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, we will deduct an amount equal to a

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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 in the Schedule for any described premises.

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 an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

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 an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is that shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

D. Calculation Of The Deductible – Builders' Risk Insurance

1. Builders' Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

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

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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.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm Or Hail Deductible Percentage
25	1	5%
26	1	5%
27	1	5%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

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.

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 and 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.

WINDSTORM OR HAIL 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; and

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.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable 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; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

3. 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, we will deduct an amount equal to a

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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 in the Schedule for any described premises.

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 an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

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 an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is that shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

D. Calculation Of The Deductible – Builders' Risk Insurance

1. Builders' Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

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

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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.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY
TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm Or Hail Deductible Percentage
28	1	5%
29	1	5%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

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.

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 and 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.

WINDSTORM OR HAIL 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; and

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.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable 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; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

3. 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, we will deduct an amount equal to a

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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 in the Schedule for any described premises.

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 an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

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 an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is that shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

D. Calculation Of The Deductible – Builders' Risk Insurance

1. Builders' Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.

b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.

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

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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.

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COMMERCIAL CRIME COVERAGE FORM (LOSS SUSTAINED 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 during the Policy Period shown in the Declarations, except as provided in Condition **E.1.k.** or **E.1.l.,** 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;

(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.

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 (hereinafter 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 one year 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 one year 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. Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate

(1) Loss Sustained Partly During This Insurance And Partly During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place:

(a) Partly during the Policy Period shown in the Declarations; and

(b) Partly during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this insurance became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the policy period(s) of the prior insurance.

(2) Loss Sustained Entirely During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place entirely during the policy period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

(a) This insurance became effective at the time of cancellation of the prior insurance; and

(b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the policy period(s) of any other prior insurance.

(3) In settling loss under Paragraphs **k.(1)** and **k.(2):**

(a) The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

(b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under this insurance. If no loss was sustained under this insurance, we will apply the Deductible Amount shown in the Declarations to the amount of loss sustained under the most recent prior insurance.

If the Deductible Amount is larger than the amount of loss sustained under this insurance, or the most recent prior insurance, we will apply the remaining Deductible Amount to the remaining amount of loss sustained during the prior insurance.

We will not apply any other Deductible Amount that may have been applicable to the loss.

(4) The following examples demonstrate how we will settle losses subject to this condition:

Example Number 1

The Insured sustained a covered loss of $10,000 resulting directly from an "occurrence" taking place during the terms of Policy **A** and Policy **B.**

Policy A

The current policy. Written at a Limit of Insurance of $50,000 and a Deductible Amount of $5,000.

Policy B

Issued prior to Policy **A.** Written at a Limit of Insurance of $50,000 and a Deductible Amount of $5,000.

Settlement Of Loss

The amount of loss sustained under Policy **A** is $2,500 and under Policy **B,** $7,500.

The highest single Limit of Insurance applicable to this entire loss is $50,000 written under Policy **A.** The Policy **A** Deductible Amount of $5,000 applies. The loss is settled as follows:

(a) The amount of loss sustained under Policy **A** ($2,500) is settled first. The amount we will pay is nil ($0.00) because the amount of loss is less than the Deductible Amount (i.e., $2,500 loss - $5,000 deductible = $0.00).

(b) The remaining amount of loss sustained under Policy **B** ($7,500) is settled next. The amount recoverable is $5,000 after the remaining Deductible Amount from Policy **A** of $2,500 is applied to the loss (i.e., $7,500 loss - $2,500 deductible = $5,000).

The most we will pay for this loss is $5,000.

Example Number 2

The Insured sustained a covered loss of $250,000 resulting directly from an "occurrence" taking place during the terms of Policy **A** and Policy **B.**

Policy A

The current policy. Written at a Limit of Insurance of $125,000 and a Deductible Amount of $10,000.

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Policy B

Issued prior to Policy **A.** Written at a Limit of Insurance of $150,000 and a Deductible Amount of $25,000.

Settlement Of Loss

The amount of loss sustained under Policy **A** is $175,000 and under Policy **B,** $75,000.

The highest single Limit of Insurance applicable to this entire loss is $150,000 written under Policy **B.** The Policy **A** Deductible Amount of $10,000 applies. The loss is settled as follows:

(a) The amount of loss sustained under Policy **A** ($175,000) is settled first. The amount we will pay is the Policy **A** Limit of $125,000 because $175,000 loss - $10,000 deductible = $165,000, which is greater than the $125,000 policy limit.

(b) The remaining amount of loss sustained under Policy **B** ($75,000) is settled next. The amount we will pay is $25,000 (i.e., $150,000 Policy **B** limit - $125,000 paid under Policy **A** = $25,000).

The most we will pay for this loss is $150,000.

Example Number 3

The Insured sustained a covered loss of $2,000,000 resulting directly from an "occurrence" taking place during the terms of Policies **A, B, C** and **D.**

Policy A

The current policy. Written at a Limit of Insurance of $1,000,000 and a Deductible Amount of $100,000.

Policy B

Issued prior to Policy **A.** Written at a Limit of Insurance of $750,000 and a Deductible Amount of $75,000.

Policy C

Issued prior to Policy **B.** Written at a Limit of Insurance of $500,000 and a Deductible Amount of $50,000.

Policy D

Issued prior to Policy **C.** Written at a Limit of Insurance of $500,000 and a Deductible Amount of $50,000.

Settlement Of Loss

The amount of loss sustained under Policy **A** is $350,000; under Policy **B,** $250,000; under Policy **C,** $600,000; and under Policy **D,** $800,000.

The highest single Limit of Insurance applicable to this entire loss is $1,000,000 written under Policy **A.** The Policy **A** Deductible Amount of $100,000 applies. The loss is settled as follows:

(a) The amount of loss sustained under Policy **A** ($350,000) is settled first. The amount we will pay is $250,000 (i.e., $350,000 loss - $100,000 deductible = $250,000).

(b) The amount of loss sustained under Policy **B** ($250,000) is settled next. The amount we will pay is $250,000 (no deductible is applied).

(c) The amount of loss sustained under Policy **C** ($600,000) is settled next. The amount we will pay is $500,000, the policy limit (no deductible is applied).

(d) We will not make any further payment under Policy **D,** as the maximum amount payable under the highest single Limit of Insurance applying to the loss of $1,000,000 under Policy **A** has been satisfied.

The most we will pay for this loss is $1,000,000.

I. Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate

(1) If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place during the policy period of any prior cancelled insurance that was issued to you or a predecessor in interest by another company, and the period of time to discover loss under that insurance had expired, we will pay for the loss under this insurance, provided:

(a) This insurance became effective at the time of cancellation of the prior insurance; and

(b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

(2) In settling loss subject to this condition:

(a) The most we will pay for the entire loss is the lesser of the Limits of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior cancelled insurance.

(b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under the prior cancelled insurance.

(3) The insurance provided under this condition is subject to the following:

(a) If loss covered under this condition is also partially covered under Condition **E.1.k.,** the amount recoverable under this condition is part of, not in addition to, the amount recoverable under Condition **E.1.k.**

(b) For loss covered under this condition that is not subject to Paragraph **I.(3)(a),** the amount recoverable under this condition is part of, not in addition to, the Limit of Insurance applicable to the loss covered under this insurance and is limited to the lesser of the amount recoverable under:

(i) This insurance as of its effective date; or

(ii) The prior cancelled insurance had it remained in effect.

m. 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.

(b) You have other insurance covering the same loss other than that described in Paragraph **m.(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**.**

n. 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.

o. Records

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

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p. 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.

(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.

q. 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.

r. 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.

s. 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 **s.(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

(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.q.** 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.q.** 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

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(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.q.** does not apply to Insuring Agreement **A.6.**

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 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 work load 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;

(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".

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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

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, except as provided under Condition **E.1.k.** or **E.1.l.**

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, except as provided under Condition **E.1.k.** or **E.1.l.**

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, except as provided under Condition **E.1.k.** or **E.1.l.**

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.

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
Hired Auto Liability and Non-Owned Auto Liability	$ **197**

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

A. HIRED AUTO LIABILITY

The insurance provided under **Section I** - **Coverage A** – **Bodily Injury And Property Damage Liability** 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.

B. NON-OWNED AUTO LIABILITY

The insurance provided under **Section I** - **Coverage A** – **Bodily Injury And Property Damage Liability** applies to "bodily injury" or "property damage" arising out of the use of a "non-owned auto" by any person other than you in the course of your business.

C. With respect to the insurance provided by this endorsement:

1. Subparagraphs **b., c., e., g., h., j., k., l., m.**, and **n.** of Paragraph **2.**, **Exclusions** of **Section I** - **Coverage A** – **Bodily Injury And Property Damage Liability** do not apply.

2. The following exclusions are added to Paragraph **2.**, **Exclusions** of **Section I** - **Coverage A** – **Bodily Injury And Property Damage Liability**:

a. "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.

b. "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:

(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 the damages because of the injury.

This exclusion does not apply to:

(1) Liability assumed by the insured under an "insured contract"; or

(2) "Bodily injury" to domestic "employees" not entitled to workers compensation benefits.

c. "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.

D. For the purposes of this endorsement only, **Section II – Who Is An Insured** is replaced by the following:

Each of the following is an insured under this Insurance to the extent set forth below:

1. You.

2. Any other person using a "hired auto" with your permission.

3. With respect to a "non-owned auto", any partner or "executive officer" of yours, but only while such "non-owned auto" is being used in your business.

4. Any other person or organization, but only with respect to their liability because of acts or omissions of an insured under paragraphs **1.**, **2.** or **3.** above.

None of the following is an insured:

1. 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;

2. Any partner or "executive officer" with respect to any "auto" owned by such partner or officer or a member of his or her household;

3. Any person while employed in or otherwise engaged in performing duties related to the conduct of an "auto business", other than an "auto business" you operate;

4. The owner or lessee (of whom you are a sublessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or "employee" of any such owner or lessee;

5. 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.

E. For the purposes of this endorsement only, the definition of "insured contract" in **Section V** - **Definitions** is amended by the addition of the following:

9. "Insured contract' means:

g. That part of any contract or agreement entered into, as part of your business pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

F. For the purposes of this endorsement only, the following definitions are added to the **Section V** - **Definitions**:

1. "Auto business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".

2. "Hired auto" means any "auto" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", your partners or your "executive officers", or members of their households,

3. "Non-owned auto" means any "auto" you do not own, lease, hire, rent or borrow which is used in connection with your business. This includes "autos" owned by your "employees", your partners or your "executive officers", or members of their households, but only while used in your business or your personal affairs.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GENERAL LIABILITY ENHANCEMENT ENDORSEMENT

This Endorsment modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

I. Section I - Coverages - Coverage A – Bodily Injury and Property Damage Liability

A. Paragraph **2. Exclusions** is amended as follows:

1. Exclusion **2.a. Expected Or Intended Injury** is deleted in its entirety and replaced by:

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. Exclusion **2.g. Aircraft, Auto Or Watercraft,** subparagraph **(2)** is deleted in its entirety and replaced by:

(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.

This provision applies to any person, who with your consent, either uses or is responsible for the use of a watercraft. This insurance is excess over any other valid and collectible insurance available to the insured whether primary, excess, or contingent.

3. Paragraph **j.(2)** of **Damage To Property** is deleted.

4. Paragraph **j.(4) of Damage To Property** is deleted and replaced as follows:

(4) Personal property in the care, custody or control of the insured which exceeds $50,000 regardless of the number of:

(a) Insureds;

(b) Claims made; or

(c) Persons or organizations making claims.

The most we will pay under this coverage is $50,000. Our duty to pay and defend ends under this coverage when the coverage limit has been exhausted.

5. Paragraph **n. Recall Of Products, Work Or Impaired Property** is replaced as follows:

n. Damages claimed for any loss, costs 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, but this exclusion does not apply to “product recall expenses” that you incur for the “covered recall” of “your product”.

This insurance does not apply to “Product Recall Expense” arising out of or resulting from:

(a) Any product withdrawal initiated due to:

i. The failure of “your products” to accomplish their intended purpose, including any breach of warranty of fitness, whether written or implied. This exclusion does not apply if such failure has caused or is reasonably expected to cause “bodily injury” or physical damage to tangible property.

ii. Copyright, patent, trade secret or trademark infringements;

iii. Transformation of a chemical nature, deterioration or decomposition of "your product", except if it is caused by:

(i) An error in manufacturing, design, processing or transportation of "your product"; or

(ii) "Product tampering"

iv. Expiration of the designated shelf life of "your product".

(b) A product withdrawal, initiated because of a defect in "your product" known to exist by the Named Insured or the Named Insured's "executive officers", prior to the inception date of this Coverage Part or prior to the time "your product" leaves your control or possession.

(c) Recall of any specific products for which "bodily injury" or "property damage" is excluded under **Coverage A** by endorsement.

(d) Recall of "your products" which have been banned from the market by an authorized government entity prior to the policy period.

(e) The defense of a claim or "suit" against you for "product recall expenses".

(f) **Coverage A** does not apply to "product recall expense" arising out of any withdrawal or recall that occurred before you acquired or formed the organization.

We will not pay more than $100,000 annually for "product recall expenses" incurred from all "Covered Recall" events covered during this policy term.

B. Paragraph **2. Exclusions** is amended to add the following:

1. Fire, Lightning, Explosion and Sprinkler Leakage

If Damage To Premises Rented To You is not excluded under the policy the following applies:

a. The last subparagraph of Paragraph **2. Exclusions** of **Section I – Coverages, Coverage A Bodily Injury And Property Damage** is deleted in its entirety and replaced by:

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion or "sprinkler leakage" to premises while rented to you or temporarily occupied by you with the permission of the owner. A separate limit of insurance applies to this coverage as described in **Section III – Limits of Insurance**.

b. Paragraph **6.** of **Section III – Limits of Insurance** is deleted in its entirety and replaced by:

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 temporarily occupied by you with permission of the owner, arising out of damage by fire, lightning, explosion or "sprinkler leakage".

c. Subject to all the terms of **Section III – Limits of Insurance**, the Damage To Premises Rented To You Limit is the greater of:

(1) $300,000; or

(2) The amount shown in the Declarations for Damage To Premises Rented To You Limit

d. Paragraph **4.b.(1)(ii)** of **Section IV – Commercial General Liability Conditions** is deleted in its entirety and replaced by:

(ii) That is Fire, Lightning, Explosion, "Sprinkler Leakage" or any similar insurance coverage for premises rented to you or temporarily occupied by you with permission of the owner;

2. Limited Professional Liability

This insurance does not apply to "bodily injury", "property damage", "personal and advertising injury" arising out of the rendering of or failure to render any "professional services" by you, but only with respect to your providing engineering, architectural or surveying services in your capacity as an engineer, architect or surveyor.

II. Section I - Coverages - Coverage B – Personal and Advertising Injury Liability

A. Paragraph **e. Contractual Liability** of **2. Exclusions** is deleted.

B. Paragraph **2. Exclusions** is amended to add:

Limited Professional Liability

This insurance does not apply to "bodily injury", "property damage", "personal and advertising injury" arising out of the rendering of or failure to render any "professional services" by you, but only with respect to your providing engineering, architectural surveying services in your capacity as an engineer, architect or surveyor.

III. Coverage C – Medical Payments

Paragraph **1.a.(3)(b)**, is deleted in its entirety and replaced by:

(b) The expenses are incurred and reported to us within two years of the date of the accident; However, expenses reported to us after two years of the date of the accident will not be denied solely because of the late submission unless such late submission operates to prejudice our rights; and

IV. Supplementary Payments-Coverages A and B

A. Paragraph **1.b.** is deleted in its entirety and replaced by**:**

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. Paragraph **d**. is deleted and replaced as follows:

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

V. Aggregate Per Location

This Coverage Extension does not apply if **CG 25 03 Designated Construction Project(s) General Aggregate Limit** or **CG 25 04 Designated Location(s) General Aggregate Limit** are attached to this policy.

The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You, Medical Expense and General Aggregate apply per "location" or construction project.

1. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **Section I - Coverages, Coverage A Bodily Injury And Property Damage**, and for all medical expenses caused by accidents under **Section I- Coverages, Coverage C - Medical Payments** , which can be attributed only to ongoing operations at a "location" or single construction project:

a. The most we will pay will be capped at $5,000,000, regardless of the number of:

(1) "Occurrences";

(2) Insureds;

(3) Claims made or "suits" brought;

(4) Persons or organizations making claims or bringing "suits";

(5) Locations; or

(6) Construction projects.

b. Subject to **V.1.a.** above:

(1) The General Aggregate Limit shown in the Declarations applies separately to each "location" or construction project.

(2) Any payments made under **Section I - Coverages, Coverage A- Bodily Injury And Property Damage** for damages or under **Section I - Coverages, Coverage C - Medical Payments** for medical expenses shall reduce the General Aggregate Limit for that "location" or construction project. Such payments shall not reduce the General Aggregate Limit for any other "location" or construction project.

(3) The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply to each "location" or construction project, subject to the

General Aggregate Limit.

2. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under **Section I - Coverages, Coverage A-Bodily Injury and Property Damage Liability**, and for all medical expenses caused by accidents under **Section I - Coverages, Coverage C – Medical Payments**, which cannot be attributed only to a "location" or ongoing operations at a single construction project, 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. This reduction is not applicable to any identifiable "location" or identifiable construction project.

3. 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.

4. If a 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 deemed to be the same construction project.

VI. Section II - Who Is An Insured

A. Newly Acquired Or Formed Organization

Paragraph **3. a.** is deleted in its entirety and replaced by:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

However, this provision does not apply if the newly formed or acquired organization is excluded by either a provision of the Coverage Part or by endorsement.

B. Controlling Interest

The following is added under **Section II – Who Is An Insured:**

Any organization over which you maintain ownership of more than 50% will be a Named Insured if there is no other similar insurance available to that organization; however

(1) Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

(2) Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

If such organizations are not shown in the Declarations, you must report them to us within 180 days of inception date of the policy.

C. Additional Insureds

1. The following additional insureds are added to **Section II – Who Is An Insured**:

a. Owners, Managers, Contractors And Lessors Of Equipment

Who Is An Insured is amended to include as an additional insured any person or organization, other than a controlling interest or vendors, you are required by written agreement or written contract or permit to include as an additional insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

(1) Your acts or omissions in the performance of your ongoing operations for the additional insured; or

(2) The acts or omissions of those acting on your behalf in the performance of your ongoing operations for the additional insured; or

(3) Maintenance or use of equipment leased or rented from such additional insured(s); or

(4) Maintenance or use of that part of any premises leased or rented to you; or

(5) Maintenance or use of that part of any premises owned by you; or

(6) Maintenance or use of any premises owned by you but leased or rented to others.

b. Vendors

Who Is An Insured is amended to include as an additional insured any person or organization (referred to below as vendor) with whom you agreed under a written contract or written agreement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business.

(1) However:

(a) The insurance afforded to such vendor only applies to the extent permitted by law; and

(b) If coverage provided to the vendor is required by a contract or agreement, the insurance afforded to such vendor will not be broader than that which you are required by the contract or agreement to provide to such vendor.

(2) With respect to the insurance afforded to these vendors, the following additional exclusions apply:

The insurance afforded the vendor does not apply to:

(a) "Bodily injury" or "property damage" for which the vendor 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 that the vendor would have in the absence of the contract or agreement;

(b) Any express warranty unauthorized by you;

(c) Any physical or chemical change in the product made intentionally by the vendor;

(d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing or the substitution of parts under instruction from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspection, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business in connection with the distribution of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product; or

(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in subparagraphs **C.1.b.(2)(d**) or **C.1.b.(2)(f)** of this Coverage Extension; or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(i) Any person or organization from whom you have acquired any products, including any ingredient, part or container entering into, accompanying or containing "your products".

c. Any person or organization granting a license to make, or distribute "your products" including "your products" which use the name or logo of grantor and to whom you are obligated by virtue of the written contract to provide insurance such as afforded by this policy, but only with respect to liability arising out of "your products".

2. The following Exclusions are applicable to all Additional Insureds:

a. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professsional services by you or on your behalf but only with respect to any of the following operations:

(1) The preparing, providing, approving, or failing to prepare, provide or approve, maps, shop

drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(2) Providing, or hiring independent professionals to provide, engineering, architectural or surveying services in connection with construction work you perform.

(3) Supervisory, inspection, architectural or engineering activities.

Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

b. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" not caused, in whole or in part, by you or by those acting on your behalf.

c. This endorsement does not apply to any rail-road named as an additional insured whether by agreement, contract or permit.

d. This insurance does not apply to “bodily injury or “property damage” occurring after leased or rented equipment is returned to the lessor.

e. This insurance does not apply to "bodily injury" or "property damage" occurring after:

(1) 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) has been completed; or

(2) 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.

f. This insurance does not apply to any "occurrence" which takes place after you cease to be a tenant in any premises for which any-one has been included as an additional insured.

g. This insurance does not apply to structural alterations, new construction or demolition operations performed by or on behalf of the additional insured at any premises in which you are a tenant, unless you are performing such operations and are required by written contract or agreement to include the premises’ owner or manager as an additional insured.

h. This insurance does not apply to "bodily injury" or "property damage" arising out of the “products – completed operations hazard”.

This exclusion does not apply to “bodily injury” or “property damage” arising out of “your products” which are distributed or sold in the regular course of the vendor’s business, as provided under Subparagraph **b. Vendors** of Paragraph **VI.C. Additional Insureds.**

i. “Bodily injury” or “property damage” occurring before the signing of the contract or agreement, or the issuance of the permit, requiring the person or organization to be added as an additional insured.

VII. The following are added to **Section III – Limits Of Insurance:**

A. Product Recall Expense

$100,000 is the most we will pay for all “product recall expenses” arising out of the same defect or deficiency.

B Professional Services

Subject to the **Limited Professional Liability** provisions of this endorsement in **Section I – Coverages - Coverage A – Bodily Injury And Property Damage Liability – 2. Exclusions** and **Coverage B – Personal And Advertising Injury Liability – 2. Exclusions** the most we will pay for Professional Services is $50,000 each annual period.

VIII. Section IV- Commercial General Liability Conditions

A. Duties In The Event Of Occurrence, Offense, Claim Or Suit

1. Paragraph **2.a**. **Duties In The Event Of Occurrence, Offense, Claim Or Suit** is deleted in its entirety and replaced by:

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.

Knowledge of an "occurrence" or an offense by your "employees" shall not, in itself, constitute knowledge to you unless you, your partners, "executive officers", directors, insurance manager or risk manager shall have actually received notice. 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

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

2. The following are added to Paragraph **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit:**

a. Your rights afforded under this policy shall not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit", solely due to your reasonable and documented belief that the "bodily injury" or "property damage" is not covered under this policy.

b. You must see to it that the following are done in the event of an actual or anticipated "covered recall" that may result in "product recall expense":

(1) Give us prompt notice of any discovery or notification that "your product" must be withdrawn or recalled. Include a description of "your product" and the reason for withdrawal or recall.

(2) Cease any further release, shipment, consignment or any other method or distribution of like or similar products until it has been determined that all such products are free from defects that could be a cause of loss under this insurance.

B. Representations

The following is added to paragraph **6. Representations:**

If you should unintentionally fail to disclose all existing hazards at the inception date of this policy, we will not deny coverage under this policy solely because of such failure.

This provision does not affect our right to collect additional premium or to exercise our right of cancellation or non-renewal.

C. Transfer Of Rights Of Recovery Against Others To Us (Waiver of Subrogation)

The following is added to this clause:

If a written agreement, written contract or permit requires that you waive any right of recovery against any person or organization we also waive any right of recovery we may have against that person or organization because of payments we make for injury or damage arising out of "your work" for that person or organization.

D. The following are added to **Section IV – Commercial General Liability Conditions**:

1. Primary Insurance – Non Contributing

When required in writing by an agreement, contract or permit with any additional insured, the insurance afforded to such additional insured is primary. Other insurance listing such additional insured as a named insured in the declarations will apply as excess and not contribute as primary to the insurance afforded by this endorsement.

2. Any agreement, contract, lease or permit requiring:

a. You to include any person or organization as an additional insured; or

b. You to waive your rights of recovery against any person or organization; or

c. That this insurance be primary;

must be signed prior to an "occurrence" or offense.

E. Liberalization

If we revise this Coverage Part to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your

state.

VII. Section V – Definitions

A. The following Definitions are revised:

1. Paragraph **9. a.** "Insured contract" is deleted in its entirety and replaced by:

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**,** lightning, explosion or "sprinkler leakage" to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

2. Paragraph **3**. is deleted and replaced as follows:

"Bodily injury" means injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death resulting from "bodily injury", sickness or disease.

B. The following definitions are added:

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a rail-road.

"Sprinkler Leakage" means the accidental leakage or discharge of any fire extinguishing or fire suppression substance from an automatic sprinkler system or other automatic fire extinguishing system or automatic fire suppression system. It does not include the discharge of any automatic sprinkler or automatic fire extinguishing system or fire suppression system that discharges in response to a fire.

"Covered recall" means:

(1) A product recall made necessary because you determine that the product recall is necessary; or

(2) An authorized government entity has ordered you to conduct a product recall.

"Product recall expense" means necessary and reasonable expenses for:

(1) Costs of notification;

(2) Costs of stationery, envelopes, production of announcements and postage or facsimiles;

(3) Costs of overtime paid to your regular non-salaried employees and costs incurred by your employees, including costs of transportation and accommodations;

(4) Costs of computer time;

(5) Costs of hiring independent contractors and other temporary employees;

(6) Costs of transportation, shipping or packaging

(7) Costs of warehouse or storage space; or

(8) Costs of proper disposal of "your products", or products that contain "your products", that can not be reused, not exceeding your purchase price or your cost to produce the products.

"Professional services" means:

(1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and

(2) Supervisory or inspection activities performed as part of any related architectural or engineering activities.

All other policy wording not specifically changed, modified, or replaced by this endorsement remains in effect.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - PUNITIVE OR EXEMPLARY DAMAGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

It is agreed that this policy excludes any claim for “punitive or exemplary damages” whether arising out of the acts of the insured, insured’s “employees” or any other person. The company shall not have an obligation to pay for any costs, interest, or damages attributable to “punitive or exemplary damages”.

Definition:

“Punitive or Exemplary Damages” means damages, other than compensatory and nominal damages, awarded against a person to punish and to discourage him and others from similar conduct in the future and shall include exemplary damages.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MULTIPLE POLICIES OR COVERAGE FORMS – NON-STACKING OF LIMITS ENDORSEMENT

This endorsement modifies the insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

Two Or More Policies Or Coverage Forms Issued By Us

It is our stated intention that the various coverage parts or policy issued to you by us, or any company affiliated with us, do not provide any duplication or overlap of coverage for the same claim or "suit".

We have exercised diligence to draft our coverage parts or policies to reflect this intention, but should the circumstances of any claim or "suit" give rise to such duplication or overlap of coverage then, notwithstanding the other insurance provision, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same "occurrence", offense, wrongful act, accident or loss, the maximum limit of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limit of insurance under any one coverage part or policy.

This condition does not apply to any Excess or Umbrella policy issued by us specifically to apply as excess insurance over this policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - FUNGI OR BACTERIA

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 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 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.

With the exception of legionella, this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily digestion.

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.

All terms and conditions of this policy apply unless modified by this endorsement.

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NON-CUMULATION OF LIABILITY LIMITS (SAME OCCURRENCE)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following is added to **SECTION III – LIMITS OF INSURANCE:**

Non-Cumulation of Liability – Same Occurrence

If one "occurrence" causes "bodily injury" and/or "property damage" or one "offense" causes "personal and advertising injury" during the policy period and during the policy period of one or more prior, or subsequent, policies providing Commercial General Liability insurance issued to you by us, and/or any affiliated insurance company, then this policy's Each Occurrence Limit or Personal and Advertising Injury Limit, whichever applies, will be reduced by the amount of each payment made by us and any affiliated insurance company under the other policies because of the "occurrence" or "offense".

"Offense" means an offense included in the definition of "personal and advertising injury". All damages that arise from exposure to the same act, publication, infringement or general conditions are considered one "offense", regardless of the frequency or repetition thereof, the number or kind of media used or number of claimants.

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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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POLICY NUMBER: WPP2127387 00

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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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WISCONSIN CHANGES – CANCELLATION AND NONRENEWAL

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 LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

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

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

If this policy has been in effect for less than 60 days and is not a renewal policy, we may cancel for any reason.

If this policy has been in effect for 60 days or more or is a renewal of a policy we issued, except as provided in Paragraph **7.** below, we may cancel this policy only for one or more of the following reasons:

a. The policy was obtained by material misrepresentation;

b. There has been a substantial change in the risk we originally assumed, except to the extent that we should have foreseen the change or considered the risk in writing the policy;

c. There have been substantial breaches of contractual duties, conditions or warranties; or

d. Nonpayment of premium.

If this policy has been in effect for 60 days or more or is a renewal of a policy we issued, the notice of cancellation will state the reason for cancellation.

B. The following is added to the **Cancellation** Common Policy Condition:

7. Anniversary Cancellation

If this policy is written for a term of more than one year or has no fixed expiration date, we may cancel this policy for any reason by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the anniversary date of the policy. Such cancellation will be effective on the policy's anniversary date.

We may cancel this policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of cancellation contains an offer to continue the policy with us if we receive a written request from the first Named Insured prior to the date of cancellation.

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C. The following applies to the:

Capital Assets Program (Output Policy) Coverage Part

Commercial Inland Marine Coverage Part

Commercial Property Coverage Part

Crime And Fidelity Coverage Part

Equipment Breakdown Coverage Part

Farm Coverage Part

1. We may rescind this policy because of the following:

a. Misrepresentation made by you or on your behalf in the negotiation for or procurement of this Coverage Part, if the person knew or should have known that the representation was false;

b. Breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this Coverage Part;

c. Failure of a condition before a loss if such failure exists at the time of loss; or

d. Breach of a promissory warranty if such breach exists at the time of loss.

2. We may not rescind this policy:

a. For the reasons in Paragraphs **C.1.a.** and **C.1.b.** unless:

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

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

b. For the reasons in Paragraphs **C.1.c.** and **C.1.d.** unless such failure or breach:

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

(2) Contributes to the loss.

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

D. The following are added and supersede any other provisions to the contrary:

1. Nonrenewal

a. If we elect not to renew this policy we will mail or deliver written notice of nonrenewal to the first Named Insured's last mailing address known to us. We may elect not to renew for any reason; the notice will state the reason for nonrenewal. We will mail or deliver the notice at least 60 days before the expiration date of this policy.

We need not mail or deliver the notice if:

(1) You have insured elsewhere;

(2) You have accepted replacement coverage;

(3) You have requested or agreed to nonrenewal of this policy;

(4) This policy is renewed in an affiliate in compliance with WIS. STAT. § 631.39; or

(5) This policy is expressly designated as nonrenewable.

b. We may refuse to renew this policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of nonrenewal contains an offer to renew the policy with us if we receive a written request from the first Named Insured prior to the renewal date.

c. If you fail to pay the renewal or continuation premium by the premium due date, this policy will terminate on the policy expiration or anniversary date, if we have:

(1) Given you written notice of the renewal or continuation premium not more than 75 days nor less than 10 days prior to the due date of the premium; and

(2) Stated clearly in the notice the effect of nonpayment of premium by the due date.

2. Anniversary Alteration

If this policy is written for a term of more than one year or has no fixed expiration date, we may alter the terms or premiums of this policy by mailing or delivering written notice of less favorable terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the anniversary date.

If we notify the first Named Insured within 60 days prior to the anniversary date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the policy at any time during the 60-day period, in accordance with Paragraph **1.** of the Cancellation Common Policy Condition. If the first Named Insured elects to cancel the policy during the 60-day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

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3. Renewal With Altered Terms

If we elect to renew this policy but on less favorable terms or at higher premiums, we will mail or deliver written notice of the new terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the renewal date.

If we notify the first Named Insured within 60 days prior to the renewal date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the renewal policy at any time during the 60-day period, in accordance with Paragraph **1.** of the Cancellation Common Policy Condition. If the first Named Insured elects to cancel the renewal policy during the 60-day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

We need not mail or deliver this notice if the only change adverse to you is a premium increase that:

a. Is less than 25% and is generally applicable to the class of business to which this policy belongs; or

b. Results from a change based on your action that alters the nature or extent of the risk insured against, including but not limited to a change in the classification or the units of exposure, or increased policy coverage.

E. Special Provision – Cancellation And Nonrenewal

With respect to insurance provided under the Commercial Automobile Coverage Part, we will not cancel or refuse to renew Liability Coverage wholly or partially because of age, sex, residence, race, color, creed, religion, national origin, ancestry, marital status or occupation of anyone who is an insured.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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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EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph **C)** applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part Or Policy
WI	COMMERCIAL PROPERTY COVERAGE PART
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. The following definition is added with respect to the provisions of this endorsement:

"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 to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. 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; and

2. 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.

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified act 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.

C. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph **B.** applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. 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 which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

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If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance 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.

D. Application Of Other Exclusions

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 which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE

SCHEDULE – PART I
Terrorism Premium (Certified Acts) **$** CERTIFIED ACT OF TERRORISM EXCLUSION (Exception covering certain fire losses)
This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):
Commercial Property Covering Certain Fire Losses
Additional information, if any, concerning the terrorism premium: Certified Acts of Terrorism is not covered, exception covering certain fire following a Certified Act of Terrorism
SCHEDULE – PART II
Federal share of terrorism losses **80 %** (Refer to Paragraph **B.** in this endorsement.)
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part **II** of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds $100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance 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.

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POLICY NUMBER: WPP2127387 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ASBESTOS

The Exclusion Section of the Liability Coverage provided under this policy is amended to add the following:

Asbestos

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, 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:

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 government 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 effects 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.

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POLICY NUMBER: WPP2127387 00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – LEAD

The Exclusion Section of the Liability Coverage provided under this policy is amended to add the following:

Lead

A. Any injury or damage arising out of the actual, alleged, threatened, or suspected:

1. Ingestion, inhalation, absorption, presence, or threat of exposure to lead in any form, or goods or, products containing lead in any form;

2. Use of lead in any form in constructing or manufacturing any good, product or structure;

3. Removal of lead in any form from any good, product or structure;

4. Discharge, dispersal, seepage, migration, release or escape of lead in any form; or

5. Manufacture, intellectual development, sale, transportation, storage or disposal of lead in any form, or goods or products containing lead in any form.

B. 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, lead in any form;

2. Claim or suit by or on behalf of a government 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 effects of lead in any form, or the repair, replacement or improvement of any property as a result of such effects;

C. Paragraph B. applies whether or not such loss, cost or expense:

1. 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 insured's premises or worksite at any time; or

2. Arises 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.

D. Fines or penalties imposed by a governmental authority because of or in connection with any activity, event, condition or circumstance contained or described in A., B., or C. above.

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