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COMMERCIAL INSURANCE

A Custom Insurance Policy Prepared for:

**BLOCK ISLAND POWER COMPANY
C/O B & E CONSULTING
21 DRYDEN LANE
PROVIDENCE RI 02904**

Presented by: CAREY RICHMOND & VIKING



One Tower Square, Hartford, Connecticut 06183

TRAVELERS CORP. TEL: 1-800-328-2189
SPECIAL BUSINESS
COMMON POLICY DECLARATIONS
ISSUE DATE: 07/30/15
POLICY NUMBER: P-630-0696L335-TCT-15

INSURING COMPANY:
THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT

1. NAMED INSURED AND MAILING ADDRESS:
BLOCK ISLAND POWER COMPANY
C/O B & E CONSULTING
21 DRYDEN LANE
PROVIDENCE, RI 02904

2. POLICY PERIOD: From 08/01/15 to 08/01/16 12:01 A.M. Standard Time at
your mailing address.

3. LOCATIONS
Premises Bldg.
Loc. No. No. Occupancy Address

SEE IL T0 03

4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES:
DELUXE PROPERTY COVERAGE PART DECLARATIONS DX T0 00 11 12 TCT
COMMERCIAL GENERAL LIABILITY COV PART DECLARATIONS CG T0 01 11 03 TCT
COMMERCIAL INLAND MARINE COV PART DECLARATIONS CM T0 01 07 86 TCT

5. NUMBERS OF FORMS AND ENDORSEMENTS
FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy
containing its complete provisions:
Policy Policy No. Insuring Company

DIRECT BILL
7. PREMIUM SUMMARY:
Provisional Premium \$ 115,912
Due at Inception \$
Due at Each \$

NAME AND ADDRESS OF AGENT OR BROKER:
CAREY RICHMOND & VIKING (70561)
TWO CORPORATE PL
MIDDLETOWN, RI 028426294

COUNTERSIGNED BY:

Authorized Representative

DATE: _____



POLICY NUMBER: P-630-0696L335-TCT-15

EFFECTIVE DATE: 08-01-15

ISSUE DATE: 07-30-15

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

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IL T8 01 10 93	FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS
IL T3 18 05 11	COMMON POLICY CONDITIONS-DELUXE
IL T0 03 04 96	LOCATION SCHEDULE

DELUXE PROPERTY

DX T0 00 11 12	DELUXE PROP COV PART DECLARATIONS
DX 00 03 07 94	DELUXE PROP COV PART SCHED-SPECIF LIMITS
DX 00 01 07 94	MORTGAGEE HOLDER SCHEDULE
DX 00 04 11 12	TABLE OF CONTENTS - DELUXE PROP COV PART
DX T1 00 11 12	DELUXE PROPERTY COVERAGE FORM
DX T3 37 11 12	WINDSTORM OR HAIL DEDUCTIBLE
DX T3 79 11 12	LOSS PAYABLE PROVISIONS
DX T4 02 01 15	FEDERAL TERRORISM RISK INSURANCE ACT DIS
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COMMERCIAL GENERAL LIABILITY

CG T0 01 11 03	COML GENERAL LIABILITY COV PART DEC
CG T0 07 09 87	DECLARATIONS PREMIUM SCHEDULE
CG T0 08 11 03	KEY TO DECLARATIONS PREMIUM SCHEDULE
CG T0 34 11 03	TABLE OF CONTENTS
CG 00 01 10 01	COMMERCIAL GENERAL LIABILITY COV FORM
CG D2 55 11 03	AMENDMENT OF COVERAGE - POLLUTION
CG D4 71 01 15	AMEND COVERAGE B - PERS & ADV INJURY
CG D0 37 04 05	OTHER INSURANCE-ADDITIONAL INSUREDS
CG D2 03 12 97	AMEND-NON CUMULATION OF EACH OCC
CG D2 48 08 05	BLANKET ADD'L INSURED(CONTRACTORS OPS)
CG D4 13 04 08	AMENDMENT OF COVERAGE-COOLING-POLLUTION
CG D4 58 07 13	XTEND END FOR COMMERCIAL INDUSTRIES
CG D2 56 11 03	AMENDMENT OF COVERAGE
CG D2 88 11 03	EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG D3 26 10 11	EXCLUSION - UNSOLICITED COMMUNICATION
CG D3 56 05 14	MOBILE EQUIP REDEFINED-EXCL OF VEHICLES
CG D4 21 07 08	AMEND CONTRAC LIAB EXCL-EXC TO NAMED INS
CG D6 18 10 11	EXCL-VIOLATION OF CONSUMER FIN PROT LAWS
CG D6 73 02 13	EXCLUSION - FAILURE TO SUPPLY
CG D7 46 01 15	EXCL-ACCESS OR DISCL OF CONF/PERS INFO
CG 21 41 11 85	EXCLUSION-INTERCOMPANY PRODUCTS SUITS
CG D1 38 11 03	MODIFIED POLLUTION EXCLUSION
CG D1 42 01 99	EXCLUSION-DISCRIMINATION
CG D2 40 06 01	EXCLUSION - SILICA

POLICY NUMBER: P-630-0696L335-TCT-15

EFFECTIVE DATE: 08-01-15

ISSUE DATE: 07-30-15

COMMERCIAL GENERAL LIABILITY (CONTINUED)

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CG T3 23 08 11 EXCL - AIRCRAFT PROD AND GROUNDING
CG T4 78 02 90 EXCLUSION-ASBESTOS

INLAND MARINE

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CM T0 28 08 96 IM PAK COV CONTRACTORS EQUIP SCHEDULE
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CM 00 01 09 04 COMMERCIAL INLAND MARINE CONDITIONS
CM T1 25 04 93 CELLULAR TELECOMM EQUIP & MEDIA FORM
CM T1 43 08 96 IMPAK COVERAGE FORM
CM T8 00 GENERAL PURPOSE ENDORSEMENT
CM T3 98 01 15 FEDERAL TERRORISM RISK INSURANCE ACT DIS

INTERLINE ENDORSEMENTS

IL T3 68 01 15 FEDERAL TERRORISM RISK INS ACT DISCLOSE
IL T4 14 01 15 CAP ON LOSSES CERTIFIED ACT OF TERRORISM
IL T3 82 05 13 EXCL OF LOSS DUE TO VIRUS OR BACTERIA
IL 00 21 09 08 NUCLEAR ENERGY LIAB EXCL END-BROAD FORM
IL 01 61 03 12 RHODE ISLAND CHANGES - CIVIL UNION
IL 01 97 09 08 RHODE ISLAND CHANGES
IL T3 55 05 13 EXCLUSION OF CERTAIN COMPUTER LOSSES
IL T9 24 01 10 RI CHANGES-CANCELLATION AND NONRENEWAL

COMMON POLICY CONDITIONS – DELUXE

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. 60 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. If the policy is cancelled, that date will become the end of the policy period. If a Coverage Part is cancelled, that date will become the end of the policy period as respects that Coverage Part only.

Cancellation will not affect coverage on any shipment in transit on the date of the cancellation. Coverage will continue in full force until such property is delivered and accepted.
5. If this policy or any Coverage Part 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 but not obligated 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 related 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

1. The first Named Insured shown in the Declarations:
 - a. Is responsible for the payment of all premiums; and
 - b. Will be the payee for any return premiums we pay.
2. We compute all premiums for this policy in accordance with our rules, rates, rating plans,

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

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.

G. WHEN WE DO NOT RENEW

If we decide not to renew this policy we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 60 days before the expiration date.

H. DELUXE PROPERTY COVERAGE PART- REFERENCE TO FORMS AND ENDORSEMENTS

In some instances, the Deluxe Property Declarations may list endorsements included in the Deluxe Property Coverage Part that reference:

1. The Commercial Property Coverage Part;
2. The Commercial Inland Marine Coverage Part;
3. Commercial Property forms including, but not limited to, the following:
 - a. Building and Personal Property Coverage Form;
 - b. Business Income Coverage Form;
 - c. Commercial Property Conditions;
 - d. Causes of Loss – Special Form;
 - e. Causes of Loss – Earthquake Form.
4. Commercial Inland Marine Forms including but not limited to the Transportation Coverage – Special Form

Endorsements referencing the Commercial Property Coverage Part, Commercial Inland Marine Coverage Part, Commercial Property Forms, or Commercial Inland Marine Forms apply to the Deluxe Property Coverage Forms in the same manner as they apply to the Forms they reference.

I. INSURANCE UNDER TWO OR MORE COVERAGE PARTS

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

This policy consists of the Common Policy Declarations and the Coverage Parts and endorsements listed in that declarations form.

In return for payment of the premium, we agree with the Named Insured to provide the insurance afforded by a Coverage Part forming part of this policy. That insurance will be provided by the company indicated as insuring company in the Common Policy Declarations by the abbreviation of its name opposite that Coverage Part.

One of the companies listed below (each a stock company) has executed this policy, and this policy is countersigned by the officers listed below:

- The Travelers Indemnity Company (IND)
- The Phoenix Insurance Company (PHX)
- The Charter Oak Fire Insurance Company (COF)
- Travelers Property Casualty Company of America (TIL)
- The Travelers Indemnity Company of Connecticut (TCT)
- The Travelers Indemnity Company of America (TIA)
- Travelers Casualty Insurance Company of America (ACJ)


Secretary

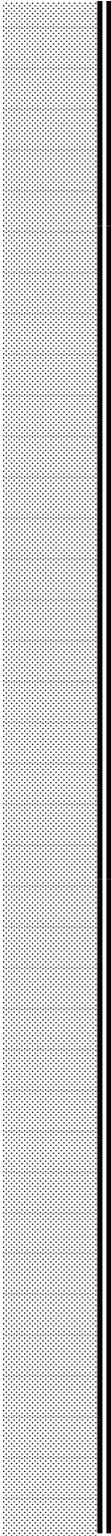

President

LOCATION SCHEDULE**POLICY NUMBER: P-630-0696L335-TCT-15**

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 08-01-15 to 08-01-16 .

Loc. No.	Bldg. No.	Address	Occupancy
1	1	OCEAN AVE. BLOCK ISLAND, RI 02807	CEMENT BLOCK BUILDING
1	2	OCEAN AVE. BLOCK ISLAND, RI 02807	RED STEEL BUILDING
1	3	OCEAN AVE. BLOCK ISLAND, RI 02807	RED STEEL GARAGE
1	4	OCEAN AVE. BLOCK ISLAND, RI 02807	STEEL/CONCRETE BUILDING
1	5	OCEAN AVE. BLOCK ISLAND, RI 02807	OFFICE
1	6	OCEAN AVE. BLOCK ISLAND, RI 02807	SUB STATION
2	7	21 DRYDEN LAND PROVIDENCE, RI 02903	LEASED LAND

DELUXE PROPERTY



DELUXE PROPERTY



One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**

**POLICY NUMBER: P-630-0696L335-TCT-15
ISSUE DATE: 07-30-15**

**INSURING COMPANY:
THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT**

EFFECTIVE DATE: Same as policy unless otherwise specified:

DELUXE PROPERTY COVERAGE FORM

DELUXE PROPERTY COVERAGE PART SCHEDULE - SPECIFIC LIMITS - DESCRIBED PREMISES

Insurance applies only to a premises location and building number and to a coverage or type of property for which a Specific Limit of Insurance is shown on schedule DX 00 03.

COINSURANCE PROVISION:

Coinsurance does not apply to any Building, Personal Property or "Stock" coverage for which a Specific Limit of Insurance applies as shown on schedule DX 00 03.

VALUATION PROVISION:

Replacement cost (subject to limitations) applies to most types of covered property (See Valuation Loss Condition in DX T1 00).

ADDITIONAL COVERED PROPERTY

**Limits of
Insurance**

Personal Property at Undescribed Premises:

At any "exhibition" premises	Not Covered
At any installation premises or temporary storage premises	Not Covered
At any other not owned, leased or regularly operated premises	\$ 25,000

Personal Property in Transit:	\$ 25,000
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DX T0 00 11 12



DELUXE PROPERTY COVERAGE
PART DECLARATIONS

POLICY NUMBER: P-630-0696L335-TCT-15
ISSUE DATE: 07-30-15

DELUXE PROPERTY COVERAGE FORM - ADDITIONAL COVERAGES & COVERAGE EXTENSIONS

The Limits of Insurance shown in the left column are included in the coverage form and apply unless a Revised Limit of Insurance or Not Covered is shown in the Revised Limits of Insurance column on the right. The Limits of Insurance apply in any one occurrence unless otherwise stated.

	Limits of Insurance	Revised Limits of Insurance
Accounts Receivable		
At all described premises	\$ 50,000	
In transit or at all undescribed premises	\$ 25,000	
Appurtenant Buildings and Structures	\$ 100,000	
Claim Data Expense	\$ 25,000	
Covered Leasehold Interest - Undamaged Improvements & Betterments		
Lesser of Your Business Personal Property limit or:	\$ 100,000	
Debris Removal (additional amount)	\$ 250,000	
Deferred Payments	\$ 25,000	
Duplicate Electronic Data Processing Data and Media	\$ 50,000	
Electronic Data Processing Data and Media		
At all described premises	\$ 50,000	
Employee Tools		
In any one occurrence	\$ 25,000	
Any one item	\$ 2,500	
Expediting Expenses	\$ 25,000	
Extra Expense	\$ 25,000	
Fine Arts		
At all described premises	\$ 50,000	
In transit	\$ 25,000	
Fire Department Service Charge	Included*	
Fire Protective Equipment Discharge	Included*	
Green Building Alternatives - Increased Cost Percentage 1 %		
Maximum amount - each building	\$ 100,000	
Green Building Reengineering and Recertification Expense	\$ 25,000	
Limited Coverage for Fungus, Wet Rot or Dry Rot - Annual Aggregate	\$ 25,000	
Loss of Master Key	\$ 25,000	
Newly Constructed or Acquired Property:		
Building - each	\$ 2,000,000	
Personal Property at each premises	\$ 1,000,000	
Non-Owned Detached Trailers	\$ 25,000	
Ordinance or Law Coverage	\$ 250,000	

DX TO 00 11 12



One Tower Square, Hartford, Connecticut 06183

DELUXE PROPERTY COVERAGE
PART DECLARATIONS

POLICY NUMBER: P-630-0696L335-TCT-15
ISSUE DATE: 07-30-15

DELUXE PROPERTY COVERAGE FORM - ADDITIONAL COVERAGES & COVERAGE EXTENSIONS
(continued)

	Limits of Insurance	Revised Limits of Insurance
Outdoor Property	\$ 25,000	
Any one tree, shrub or plant	\$ 2,500	
Outside Signs		
At all described premises	\$ 100,000	
At all undescribed premises	\$ 5,000	
Personal Effects	\$ 25,000	
Personal Property At Premises Outside of the Coverage Territory	\$ 50,000	
Personal Property In Transit Outside of the Coverage Territory	\$ 25,000	
Pollutant Cleanup and Removal - Annual Aggregate	\$ 100,000	
Preservation of Property		
Expenses to move and temporarily store property	\$ 250,000	
Direct loss or damage to moved property	Included*	
Reward Coverage		
25% of covered loss up to maximum of:	\$ 25,000	
Stored Water	\$ 25,000	
Theft Damage to Rented Property	Included*	
Undamaged Parts of Stock In Process	\$ 50,000	
Valuable Papers and Records - Cost of Research		
At all described premises	\$ 50,000	
In transit or at all undescribed premises	\$ 25,000	
Water or Other Substance Loss - Tear Out and Replacement Expense	Included*	

*Included means included in applicable Covered Property Limit of Insurance

DEDUCTIBLES:

BY WINDSTORM OR HAIL:

At premises located in the State(s) of:

RHODE ISLAND

the following percentage applies: 2 %
subject to the following minimum, in any one occurrence at
each premises location: \$ 50,000

DX TO 00 11 12



One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**

**POLICY NUMBER: P-630-0696L335-TCT-15
ISSUE DATE: 07-30-15**

DEDUCTIBLES: (continued)

ANY OTHER COVERED LOSS in any one occurrence: \$ 5,000

DELUXE PROPERTY COVERAGE PART SCHEDULE - SPECIFIC LIMITS

Prem. No.	Bldg. No.	Description of Coverage or Property	Limits of Insurance
1	1	Building	\$ 300,000
1	1	Your Business Personal Property	\$ 75,000
1	2	Building	\$ 200,000
1	2	Your Business Personal Property	\$ 2,000,000
1	3	Building	\$ 275,000
1	3	Your Business Personal Property	\$ 2,600,000
1	4	Building	\$ 180,000
1	4	Your Business Personal Property	\$ 10,000
1	5	Building	\$ 500,000
1	5	Your Business Personal Property	\$ 50,000
1	6	Building	\$ 1,000,000

POLICY NUMBER: P-630-0696L335-TCT-15

ISSUE DATE: 07-30-15

MORTGAGE HOLDER SCHEDULE

Premises Loc. No.	Bldg. No.	Mortgage Holder Name and Mailing Address
1	1	RURAL UTILITIES SERVICES NORTHERN REGIONAL DIVISION USDA RUS STOP #1566 1400 INDEPENDENCE AVE. SW WASHINGTON DC 20250

TABLE OF CONTENTS

DELUXE PROPERTY COVERAGE PART

The following indicates the contents of the principal Forms which may be attached to your policy. It contains no reference to the Declarations or Endorsements which also may be attached.

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D. Loss Conditions	6
E. Optional Coverages	7
F. Definitions	8

DELUXE PROPERTY COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks have special meaning. REFER TO SECTION J. – DEFINITIONS.

A. COVERAGE

We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

1. Covered Property

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

a. Building(s), meaning the designated building or structure at the premises described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Foundations;
- (4) Glass that is a part of the building or structure;
- (5) Machinery and equipment permanently attached to the building or structure;
- (6) 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;
 - (d) Lobby and hallway furnishings owned by you;
 - (e) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
 - (f) Lawn maintenance and snow removal equipment;
 - (g) Heating, air conditioning and ventilation equipment; and

(h) Building systems and equipment including alarm, communication, security and monitoring devices; and

(7) If not covered by other insurance:

- (a) Additions under construction, alterations and repairs to the building or structure; and
- (b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the described premises, used for making additions, alterations or repairs to the buildings or structures.

b. Your Business Personal Property located in or on the designated building or structure at the premises 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:

- (1) Furniture and fixtures;
- (2) Machinery and equipment (including "electronic data processing equipment");
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy or lease but do not own; and

- (b) You acquired or made at your expense, but cannot legally remove;
 - (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise insured under Personal Property of Others; and
 - (8) Building glass that is not a tenant improvement and betterment but which, as a tenant, you are contractually required to insure under a written lease agreement.
- c. Personal Property of Others** meaning others' personal property in your care, custody, or control that is located in or on the designated building or structure at the premises described in the Declarations or in the open (or in a vehicle) within 1,000 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.

- d. Personal Property At Undescribed Premises** meaning Your Business Personal Property and Personal Property of Others in your care, custody or control that:
- (1) Is at "exhibition" premises located worldwide including while in transit to and from the "exhibition" premises provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage;
 - (2) Is at installation premises or temporary storage premises while awaiting installation that you do not own, lease or regularly operate. This coverage applies only to such property that will or has become a permanent part of an installation project being performed for others by you or on your behalf. This coverage will end when any of the following first occurs:
 - (a) Your interest in the property ceases;
 - (b) The installation is accepted by the customer;

- (c) The installation is abandoned by you;
 - (d) The property is more specifically insured; or
 - (e) This policy is cancelled or expires, whichever occurs first; or
- (3) Is temporarily at any other premises not described in the Declarations, which you do not own, lease or regularly operate.

Coverage does not include Sales Representative Property as defined in Paragraph A.1.f. below.

- e. Personal Property in Transit** as follows:
- (1) This coverage for Personal Property in Transit applies to:
 - (a) Your Business Personal Property; and
 - (b) Personal Property of Others; away from the described premises while in transit between points within the Coverage Territory.
 - (2) Unless a mode of transportation or type of shipment is specifically excluded in the Declarations or by endorsement, this coverage applies to property in transit being shipped by any type of carrier or vehicle.
 - (3) This coverage applies from the time the property leaves the premises where the shipment begins until the shipment arrives at its final destination. If the property is not delivered, we cover the return of the property to you, including while the property is temporarily held by the receiver or the carrier while awaiting return shipment to you.
 - (4) Subject to the Limit of Insurance that applies to the Personal Property in Transit coverage, we will also pay for:
 - (a) Any general average or salvage charges you incur as respects losses to covered waterborne shipments;
 - (b) Your interest in covered shipments sold Free On Board if you cannot collect payment for the loss or damage from the consignee; and

- (c) Loss of or damage to Covered Property resulting from the unintentional acceptance of any fraudulent Bill of Lading, order or shipping receipt by you, your employees or authorized representatives or by your agent, customer or consignee from anyone representing themselves to be the proper person to receive goods for shipment or accept goods for delivery.
- (5) This coverage does not apply to:
- (a) Accounts receivable;
 - (b) "Employee tools";
 - (c) "Fine arts";
 - (d) Sales representative property;
 - (e) Personal property in transit to or from an "exhibition" site; or
 - (f) "Valuable papers and records".
- f. **Sales Representative Property** meaning goods or merchandise which are Your Business Personal Property and Personal Property of Others in the custody of independent contractors whom you authorize to sell such goods or merchandise. This coverage applies worldwide while the property is:
- (1) At any premises away from the described premises; or
 - (2) In transit;
- provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.
- 2. Property and Costs Not Covered**
- Unless the following property is added by endorsement to this Coverage Form, Covered Property does not include:
- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes, checks, drafts or securities except as provided in the Accounts Receivable Coverage Extension. Lottery tickets held for sale are not securities;
 - b. Aircraft or watercraft;
 - c. Animals;
 - d. Automobiles, motorcycles, motor trucks, motor homes and similar vehicles held for sale, lease, loan or rent;
 - e. Bulkheads, pilings, piers, wharves, docks, dikes or dams;
 - f. Contraband or property in the course of illegal transportation or trade;
 - g. "Electronic data processing data and media" that is obsolete or no longer used by you;
 - h. "Employee tools" except as provided in the Employee Tools Coverage Extension;
 - i. Export and import shipments while covered under an ocean marine cargo or other insurance policy;
 - j. "Fine arts", except as provided in the Personal Effects and Fine Arts Coverage Extensions;
 - k. Harvested grain, hay, straw or other crops while outside of buildings, growing crops or standing timber;
 - l. Human body parts and fluids including organs, tissue, blood and cells;
 - m. Land, whether in its natural state or otherwise (including land on which the property is located), land improvements or the cost of restoring or stabilizing land;
 - n. Personal property sold by you under an installment plan, conditional sale, trust agreement or other deferred payment plan after delivery to the purchasers except as provided in the Deferred Payments Coverage Extension;
 - o. Property of others for which you are responsible while acting as a common or contract carrier, car-loader, freight forwarder, freight consolidator, freight broker, shipping association or similar arranger of transportation, or as a public warehouseman;
 - p. Property that is covered under another coverage form or endorsement of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
 - q. Property while waterborne except while in transit by inland water carriers or by coastwise vessels operating within "territorial waters";

- r. Shipments by a government postal service except by registered mail;
- s. The cost of excavations, grading, backfilling or filling. This does not apply to costs necessarily incurred to repair or replace covered loss or damage to Covered Property, but any costs associated with land stabilization and land reconstruction are excluded;
- t. The cost to research, replace or restore the information on "valuable papers and records" and "electronic data processing data and media", except as provided in the Valuable Papers and Records – Cost of Research and Electronic Data Processing Data and Media Coverage Extensions;
- u. The following property while outside of buildings:
 - (1) Bridges, roadways, walks, patios, or other paved surfaces;
 - (2) Artificial turf and associated underlayment;
 - (3) Retaining walls that are not part of a building;
 - (4) Fences;
 - (5) Trees, shrubs, plants or lawns (including fairways, greens and tees), but not including vegetative roofs on Covered Buildings nor "stock" of trees, shrubs or plants;

except as provided in the Outdoor Property Coverage Extension.

- v. The following underground property:
 - (1) Wires;
 - (2) Pipes, flues and drains;
 - (3) Tanks (including their contents);
 - (4) Tunnels (whether or not connected to buildings);
 - (5) Mines or mining property;
- w. Vehicles or self-propelled machines that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises;

But this does not apply to:

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

- (b) Vehicles or self-propelled machines you hold for sale, lease, loan or rent other than those excluded under **A.2.d.** above; or

- (c) Trailers and Semi-trailers to the extent covered under the Non-Owned Detached Trailers Coverage Extension;

- x. Water, whether in its natural state or otherwise, and whether above or below ground or the cost of reclaiming or restoring water.

But this does not apply to:

- (1) Water contained in storage tanks used in your manufacturing or processing operations as specifically insured under the Stored Water Additional Coverage; or

- (2) Bottled water.

3. Additional Coverages

Each of the following Additional Coverages applies subject to the Limit(s) of Insurance stated in this Coverage Form unless a revised Limit of Insurance or *Not Covered* is indicated in the Declarations or the coverage is otherwise amended by endorsement:

a. Debris Removal

- (1) 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.

This Additional Coverage does not apply to costs to:

- (a) Remove debris of property you own that is not insured under this policy, or property of others in your care, custody or control that is not Covered Property;

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

- (c) Remove debris of any outdoor property of a type described in the Outdoor Property Coverage Extension, whether the property is your property or the property of others;
 - (d) Remove any property that is included under Section **A.2.** Property and Costs Not Covered;
 - (e) Remove property of others of a type that is not Covered Property under this Coverage Form;
 - (f) Extract "pollutants" from land or water; or
 - (g) Remove, restore or replace polluted land or water.
- (2) The most we will pay under this Additional Coverage for your expense to remove the debris of Covered Property is 25% of:
- (a) The amount we pay for the direct physical loss of or damage to Covered Property; plus
 - (b) The deductible in this Coverage Part applicable to that loss or damage.

Except as provided in Paragraph (3) below, this payment for your expense to remove the debris of Covered Property is included within the applicable Covered Property Limit of Insurance.

- (3) If:
- (a) Your expense to remove debris of Covered Property exceeds the above 25% limitation; or
 - (b) The sum of the amount we pay for loss of or damage to Covered Property and the expense for removal of its debris exceeds the applicable Limit of Insurance;
- we will pay an additional amount for your expense to remove the debris of Covered Property, up to \$250,000 in any one occurrence.
- (4) The most we will pay in any one occurrence under this Additional Coverage for your expense to remove the debris of any property that is not Covered Property (if such removal is covered under this Additional Cover-

age) is \$25,000. This is additional insurance.

b. Expediting Expenses

In the event of covered loss or damage to Covered Property, we will pay for the reasonable and necessary additional expenses you incur to make temporary repairs to, or expedite the permanent repairs or replacement of the Covered Property at the premises sustaining loss or damage. Expediting expenses include overtime wages and the extra cost of express or other rapid means of transportation. Expediting expenses do not include expenses you incur for the temporary rental of property or temporary replacement of damaged property.

The most we will pay in any one occurrence under this Additional Coverage is \$25,000.

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 for 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. Fire Protective Equipment Discharge

If fire protective equipment at the described premises discharges accidentally or to control a Covered Cause of Loss, we will pay your cost to:

- (1) Refill or recharge the system with the extinguishing agents that were discharged; and
- (2) Replace or repair faulty valves or controls which caused the discharge.

e. Green Building Alternatives – Increased Cost

(1) If direct physical loss or damage by a Covered Cause of Loss occurs to a building that is Covered Property, we will pay for:

- (a) The reasonable additional cost you incur to repair or replace the lost or damaged portions of the

building using products or materials that:

(i) Are "green" alternatives to the products or materials of the lost or damaged property, in accordance with a documented "green authority"; and

(ii) Are otherwise of comparable quality and function to the damaged property;

and

(b) The reasonable additional cost you incur to employ "green" methods or processes of construction, disposal or recycling in the course of the repair and replacement of the lost or damaged building, in accordance with the documented standards of a "green authority".

(2) The insurance provided under this Additional Coverage applies only if replacement cost valuation applies to the lost or damaged building and then only if the building is actually repaired or replaced as soon as reasonably possible after the loss or damage.

(3) The insurance provided under this Additional Coverage does not apply to any building that has been "vacant" for more than 60 consecutive days before the loss or damage occurs.

(4) The most we will pay for the additional cost incurred with respect to each building in any one occurrence under this Additional Coverage is determined by multiplying:

(a) A factor of 1% (unless a higher increased cost percentage is shown in the Declarations); times

(b) The lesser of:

(i) The amount we would otherwise pay for direct physical loss of or damage to the building, prior to application of any applicable deductible; or

(ii) The value you reported to us for the building, as stated on the latest Statement of Values or other documentation

on file with us prior to the loss or damage.

Unless otherwise stated in the Declarations, this resultant amount is subject to a maximum amount of insurance of \$100,000 for each building.

f. Green Building Reengineering and Recertification Expense

(1) If, as a result of direct physical loss or damage by a Covered Cause of Loss to a building that is Covered Property, the pre-loss level of "green" building certification by a "Green Authority" on the building is lost, we will pay for the following reasonable additional expenses you incur to re-attain the pre-loss level of "green" building certification from that "Green Authority":

(a) The reasonable additional expense you incur to hire a qualified engineer or other professional required by the "Green Authority" to be involved in:

(i) Designing, overseeing or documenting the repair or replacement of the lost or damaged building; or

(ii) Testing and recalibrating the systems and mechanicals of the lost or damaged building to verify that the systems and mechanicals are performing in accordance with the design of such systems and mechanicals or the specifications of the manufacturer;

and

(b) The reasonable registration and recertification fees charged by the "Green Authority".

(2) This Additional Coverage applies to the additional expenses described above that you incur to achieve the pre-loss level of "green" building certification in accordance with the standards of the "Green Authority" that exist at the time of repair or replacement, even if the standards have changed since the original certification was achieved.

(3) The most we will pay in any one occurrence under this Additional Coverage for:

(a) All expenses incurred with respect to each building is 5% of the sum of:

(i) The amount we pay for the direct physical loss of or damage to the building, including any amount paid under the Green Building Alternatives – Increased Cost Additional Coverage; and

(ii) The deductible amount applied to the loss payment for direct physical loss or damage to the building;

(b) All expenses incurred, regardless of the number of buildings involved, is \$25,000.

g. Limited Coverage for Fungus, Wet Rot or Dry Rot

(1) The coverage provided in Paragraph (2) below only applies when "fungus", wet rot or dry rot is the result of any of the "specified causes of loss", other than fire or lightning, that occurs during the policy period, and only if all reasonable means have been used to save and preserve the property from further damage at the time of and after the occurrence of such "specified causes of loss".

(2) We will pay for direct physical loss of or damage to Covered Property caused by "fungus", wet rot or dry rot, including:

(a) The cost of removal of the "fungus", wet rot or dry rot;

(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 rot or dry rot; 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 rot or dry rot are present.

(3) The most we will pay for the total of all loss or damage under this Additional Coverage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) occurring during each separate 12 month period of this policy beginning with the effective date of this policy is \$25,000.

(4) The coverage provided under this Additional 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 rot or dry rot, 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 Covered Property.

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

h. Ordinance or Law Coverage

(1) In the event of covered direct physical loss or damage to a building that is Covered Property, the following coverages apply, but only with respect to that lost or damaged building:

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

We will pay under Coverage A for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

(b) Coverage B – Demolition Cost Coverage

We will pay under Coverage B the cost to demolish the building and clear the site of undamaged parts of the same building, as a consequence of enforcement of

an ordinance or law that requires demolition of such undamaged property.

(c) Coverage C – Increased Cost of Construction

We will pay under Coverage C the increased cost to:

- (i)** Repair or reconstruct damaged portions of that building; or
- (ii)** Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

This Coverage C 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. This Coverage C does not apply if the building is not repaired, reconstructed or remodeled.

- (2)** The coverages described in **(1)** above apply only if the provisions in Paragraphs **(a)** and **(b)** below are satisfied and are then subject to the qualifications set forth in Paragraph **(c)** below:

(a) The ordinance or law:

- (i)** Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- (ii)** Is in force at the time of loss.

But this Additional Coverage 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.

(b) The building either:

- (i)** Sustains direct physical loss or damage that is covered under this Coverage Part and such damage results in enforcement of the ordinance or law; or
- (ii)** Sustains both direct physical loss or damage that is covered under this Coverage Part and direct physical loss or damage that is not covered under this Coverage Part and the building damage in its entirety results in enforcement of the ordinance or law.

If the building sustains direct physical loss or damage that is not covered under this Coverage Part, and such damage is the subject of the ordinance or law, then there is no coverage under this Additional Coverage even if the building has also sustained covered direct physical loss or damage.

- (c)** In the situation described in **(b)** **(ii)** above, we will not pay the full amount of loss otherwise payable under the terms of Coverage A, B or C of this Additional Coverage. Instead, we will pay a proportion of such loss. The proportion of such loss that we will pay is the proportion that the covered direct physical loss or damage bears to the total direct physical loss or damage.

However, if covered direct physical loss or damage, alone, would have resulted in the enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverage A, B, or C of this Additional Coverage.

- (3)** We will not pay under this Additional Coverage for:

- (a)** Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation.

tion of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot;

(b) The costs associated with the enforcement of 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 rot or dry rot; or

(c) Loss due to any ordinance or law that:

(i) You were required by the ordinance or law to comply with before the loss, even if the building was undamaged; and

(ii) You failed to comply with.

(4) Exclusion **C.1.h.** Ordinance or Law does not apply to the insurance specifically provided under this Additional Coverage.

(5) The most we will pay under this Additional Coverage for loss with respect to all buildings lost or damaged in any one occurrence, regardless of the number of buildings involved, is \$250,000.

i. Pollutant Cleanup 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 any of the "specified causes of loss" which occurs:

(1) On the described premises;

(2) To Covered Property; and

(3) During the policy period.

The expenses will be paid only if they are reported to us within 180 days of the date on which the covered "specified cause of loss" occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing

which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage is \$100,000 for the sum of all covered expenses arising out of all "specified causes of loss" occurring during each separate 12 month period of this policy (beginning with the effective date of the policy).

j. Preservation of Property

If it is necessary to temporarily move Covered Property from the described premises to preserve it from the threat of imminent loss or damage by a Covered Cause of Loss:

(1) We will pay for the reasonable and necessary expenses actually incurred by you to remove the Covered Property from the described premises, temporarily store the Covered Property at another location and move the Covered Property back to the described premises within a reasonable time after the threat of imminent loss or damage to the property by the Covered Cause of Loss passes. The most we will pay for the sum of all such expenses that you incur due to the threat of loss or damage from any one occurrence is \$250,000, subject to the following:

(a) This Limit of Insurance is an additional amount of insurance that is not included in, and does not reduce, the Covered Property Limits of Insurance.

(b) When the Causes of Loss – Earthquake endorsement or Causes of Loss – Earthquake Sprinkler Leakage endorsement is included in this Coverage Part, our payment for the sum of all expenses incurred due to the threat of loss or damage to Covered Property from all threatened occurrences of all such Covered Causes of Loss in any one policy year will not exceed \$250,000. This limit is not included in, and does not reduce, the Limits of Insurance that apply to loss or damage to which the Causes of Loss – Earthquake endorsement

or the Causes of Loss – Earthquake Sprinkler Leakage endorsement applies.

- (c) When the Causes of Loss – Broad Form Flood endorsement is included in this Coverage Part, our payment for the sum of all expenses incurred due to the threat of loss or damage to Covered Property from all threatened occurrences of such Covered Cause of Loss in any one policy year will not exceed \$250,000. This limit is not included in, and does not reduce, the Limits of Insurance that apply to loss or damage to which the Causes of Loss – Broad Form Flood endorsement applies.

- (d) If the threat of imminent direct physical loss or damage to Covered Property from the same occurrence spans over multiple policy years, only the limit that applies to this Coverage in the policy year in which the expenses are first incurred by you will apply to the total of the expenses incurred due to the threat of loss or damage from that occurrence.

This Coverage is subject to the deductible that applies to loss or damage to the Covered Property by the Covered Cause of Loss from which the property is being preserved.

- (2) We will also pay for any direct physical loss of or damage to the Covered Property while it is being moved from the described premises, while temporarily stored at another location or while being moved back to the described premises, subject to the following:
- (a) This Coverage is subject to, and does not increase the applicable Covered Property Limit of Insurance.
- (b) This Coverage will only apply if the loss or damage occurs within 180 days after the Covered Property is first moved and will end when any of the following first occurs:

- (i) The policy is amended to provide insurance at the new location;
- (ii) The Covered Property is returned to the original location; or
- (iii) This policy expires.

k. Reward Coverage

We will reimburse you for rewards you have incurred leading to:

- (1) The successful return of undamaged stolen articles of Covered Property to a law enforcement agency; or
- (2) The arrest and conviction of any person(s) who have damaged or stolen any of your Covered Property.

The most we will pay in any one occurrence under this Additional Coverage is 25% of the covered loss (prior to the application of any applicable deductible and recovery of undamaged stolen articles) up to a maximum of \$25,000 for the payments of rewards you make. These reward payments must be documented. No deductible applies to this Additional Coverage.

l. Stored Water

- (1) We will pay the cost you incur to replace water that is used in your manufacturing or processing operations which is contained in any:

- (a) Above-ground storage tank; or
- (b) Manufacturing or processing equipment (including related piping) at the described premises,

when the water has been released or rendered unusable for its intended purpose due to direct physical loss of or damage to such tank, equipment or piping by a Covered Cause of Loss.

- (2) This Additional Coverage does not apply to costs to restore or replace water contained in any fire suppression system.
- (3) The most we will pay in any one occurrence under this Additional Coverage is \$25,000.

m. Water or Other Substance Loss – Tear Out and Replacement Expense

In the event of covered loss or damage caused by or resulting from water (or steam), other liquid, powder or molten material, we will also pay:

- (1) The necessary cost of tearing out and replacing any part of a Covered Building or Structure to repair damage to the system or appliance from which the water (or steam), other liquid, powder or molten material escapes; and
- (2) The cost to repair or replace damaged parts of fire extinguishing equipment if:
 - (a) The damage results in discharge of any substance from an automatic fire protective system; or
 - (b) Is directly caused by freezing.

Except as provided under (2) above, we will not pay the cost to repair any defect in a system or appliance from which the water (or steam), other liquid, powder or molten material escapes.

4. Coverage Extensions

Each of the following Coverage Extensions applies subject to the Limit(s) of Insurance stated in this Coverage Form, unless a revised Limit of Insurance or *Not Covered* is indicated in the Declarations or the coverage is otherwise amended by endorsement:

a. Accounts Receivable

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to losses and expenses described below that you incur resulting from direct physical loss or damage by a Covered Cause of Loss to your accounts receivable records. Credit card company charge media will be considered accounts receivable until delivered to the credit card company.

We will pay:

- (a) 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 by the loss; and

- (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable.

- (2) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss, we will:

- (a) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss occurs;

- (b) Adjust the total for any normal fluctuations in the amount of accounts receivable for the month in which the loss occurred or for any demonstrated variance from the average for that month; and

- (c) Deduct the following from the total amount of accounts receivable, however that amount is established:

- (i) The amount of the accounts for which there is no loss;

- (ii) The amount of the accounts that you are able to re-establish or collect;

- (iii) An amount to allow for probable bad debts that you are normally unable to collect; and

- (iv) All unearned interest and service charges.

- (3) The most we will pay in any one occurrence under this Extension for loss and expenses resulting from loss of or damage to your records of accounts receivable:

- (a) At or within 1,000 feet of the described premises is \$50,000; and

- (b) While in transit or at all undescrbed premises is \$25,000.

b. Appurtenant Buildings and Structures

- (1) At the described premises where Building coverage applies:

- (a) You may extend the insurance that applies to your buildings to

apply to direct physical loss or damage by a Covered Cause of Loss to incidental appurtenant buildings and structures which are at the described premises but not specifically described in the Declarations; and

- (b) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others, if any, to apply to direct physical loss or damage by a Covered Cause of Loss to such property located within incidental appurtenant buildings or structures which are at the described premises but not specifically described in the Declarations.

- (2) Incidental appurtenant buildings or structures include storage buildings, garages, pump houses, above ground tanks, television and radio towers, antennas, satellite dishes and solar panels mounted on the ground or on poles not attached to buildings and structures. But incidental appurtenant buildings and structures do not include:

- (a) Outside signs, whether or not attached to buildings or structures;
- (b) Any property to which the Outdoor Property Coverage Extension applies; or
- (c) Any property excluded under Section **A.2. Property and Costs Not Covered**.

- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$100,000.

c. Claim Data Expense

- (1) You may extend the insurance provided by this Coverage Form to apply to the reasonable expenses you incur in preparing claim data when we require it to adjust a covered loss. This includes the cost of taking inventories, making appraisals and preparing other documentation to show the extent of loss.

- (2) We will not pay for:

- (a) Any expenses incurred, directed, or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries;
- (b) Any costs as provided in the Appraisal Loss Condition (**G.2.**); or
- (c) Any expenses incurred, directed, or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.

- (3) The most we will pay for claim data expense in any one occurrence under this Extension is \$25,000.

d. Covered Leasehold Interest – Undamaged Improvements and Betterments

- (1) You may extend the insurance that applies to Your Business Personal Property at the described premises which you lease from others to apply to your interest as tenant in improvements and betterments, as defined in Section **A.1.b.(6)** of this Coverage Form, which are not damaged or destroyed, but which you lose due to the cancellation of your lease by your landlord. The cancellation of your lease by your landlord must:

- (a) Result from direct physical loss of or damage to property at the described premises where your improvements and betterments are located, caused by or resulting from a Covered Cause of Loss; and
- (b) Be permitted in accordance with the conditions of your written lease agreement.

- (2) The most we will pay for loss in any one occurrence under this Extension is:

- (a) The applicable Your Business Personal Property Limit of Insurance; or
 - (b) \$100,000;
- whichever is less.

e. Deferred Payments

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to your interest in

such business personal property that is sold by you under an installment plan, conditional sale, trust agreement or other deferred payment plan when, as a result of direct physical loss of or damage to such property:

(a) Occurring within the Coverage Territory at any location, or in transit, after delivery to buyers; and

(b) Caused by a Covered Cause of Loss;

the buyer refuses to continue payments owed to you for such property and, as a result, you repossess the remaining damaged property of value, if any.

(2) The value of your loss under this Extension will be determined as follows:

(a) In the event of partial loss to property, the value of your loss will be:

(i) The unpaid balance shown on your books as due from the buyer for such property, excluding any interest or fees due; minus

(ii) The actual cash value of the repossessed damaged property.

(b) In the event of a total loss to property, the value of your loss will be the unpaid balance shown on your books as due from the buyer for such property, excluding any interest or fees due.

(3) The most we will pay for loss in any one occurrence under this Extension is \$25,000.

f. Duplicate Electronic Data Processing Data and Media

(1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to duplicates of your "electronic data processing data and media" while stored in a separate, unattached building anywhere in the Coverage Territory from where your

original "electronic data processing data and media" are kept.

(2) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

g. Electronic Data Processing Data and Media

(1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to your costs to research, replace or restore the lost information on lost or damaged "electronic data processing data and media" for which duplicates do not exist. The loss or damage to the "electronic data processing data and media" must be caused by a Covered Cause of Loss.

(2) The most we will pay in any one occurrence under this Extension for loss or damage to "electronic data processing data and media":

(a) At or within 1,000 feet of the described is as follows:

(i) \$50,000 at all described premises unless a different Limit of Insurance or *Not Covered* is shown in the Declarations or Paragraph (ii) below applies;

(ii) When *Included* is shown in the Declarations as the Limit of Insurance, the insurance provided for such property is included in, and does not increase the Limit(s) of Insurance that otherwise apply to loss or damage to Your Business Personal Property and Personal Property of Others at the described premises where the loss occurs;

and

(b) At any other location where the insurance provided under this Coverage Form for Your Business Personal Property and Personal Property of Others applies, including while in transit, is included in and does not increase the Limit of Insurance that otherwise applies to loss or damage to

Your Business Personal Property and Personal Property of Others at that location or in transit. But, in no event will the amount we pay for such loss or damage to "electronic data processing data and media" under this Extension exceed the amount we would have paid had the loss to "electronic data processing data and media" occurred at or within 1,000 feet of the described premises.

h. Employee Tools

- (1)** You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to "employee tools" at the described premises or while in the care, custody or control of your employees at job sites or while in transit between these locations.
- (2)** The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000, but not more than \$2,500 for any one item.

i. Extra Expense

- (1)** You may extend the insurance provided by this Coverage Form to apply to the reasonable and necessary Extra Expense you incur, during the period of restoration, due to direct physical loss or damage to property at or within 1,000 feet of the described premises caused by or resulting from a Covered Cause of Loss.
- (2)** If you occupy only a portion of a building in which the described premises are located, such premises include all routes within the building to gain access to the portion of the building which you own, rent, lease or occupy.
- (3)** As used in this Extension:
 - (a)** Extra Expense means necessary expenses you incur that you would not have incurred if there had been no direct physical loss or damage to property:
 - (i)** To avoid or minimize the suspension of business and

to continue your normal business operations:

- At the described premises; or
 - At replacement premises or at temporary locations, including relocation expenses and costs to equip and operate the replacement or temporary locations;
- (ii)** To minimize the suspension of business if you cannot continue your normal business operations at the described premises; or
 - (iii)** To the extent that it reduces the amount of loss that otherwise would have been payable under this Coverage Form:
 - To repair or replace any property;
 - To research, replace or restore the lost information on lost or damaged "electronic data processing data and media" or "valuable papers and records".
- (b)** Period of restoration means the period of time that:
- (i)** Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
 - (ii)** Ends on the earlier of:
 - The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - The date when business is resumed at a new permanent location.

Period of restoration does not include any increased period re-

quired due to the enforcement of any ordinance or law that:

- (i) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (ii) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to the effects of "pollutants".

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

- (4) The most we will pay for all Extra Expense in any one occurrence under this Extension is \$25,000.

j. Fine Arts

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to "fine arts" at the described premises or in transit.
- (2) The most we will pay in any one occurrence under this Extension for loss of or damage to "fine arts":
 - (a) At or within 1,000 feet of the described premises is \$50,000; and
 - (b) While in transit is \$25,000.

k. Loss of Master Key

- (1) If a master key or key card to buildings, rooms or compartments that are Covered Property or house Covered Property is lost or damaged by a Covered Cause of Loss, you may extend the insurance provided by this Coverage Form to apply to the actual and necessary costs you incur to:
 - (a) Replace keys and either:
 - (i) Adjust existing locks to accept the new keys; or
 - (ii) Replace existing locks, but only if necessary or less expensive than the cost of adjusting the existing locks;
- or

- (b) Re-program the key card access control device to accept replacement key cards.

- (2) With respect only to the insurance provided by this Extension, the following changes apply to the Exclusions in Section C. and Limitations in Section D. of this Coverage Form:

- (a) The exclusion of loss or damage caused by or resulting from dishonest or criminal act under Exclusion C.2.c. (Dishonesty) does not apply, except with respect to dishonest or criminal act by you or any of your partners, directors or trustees;

- (b) The exclusion of loss of property when there is no physical evidence to show what happened to the property under Limitations D.1.d. does not apply.

- (3) The most we will reimburse you for costs under this Extension is \$25,000 in total arising out of all occurrences occurring during each separate 12 month period of this policy (beginning with the effective date of the policy).

l. Newly Constructed or Acquired Property

- (1) You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage by a Covered Cause of Loss to:
 - (a) Your new buildings or additions while being built on the described premises or newly acquired premises including materials, equipment, supplies and temporary structures, on or within 1,000 feet of the premises;
 - (b) Buildings you acquire at locations other than the described premises; and
 - (c) Buildings which you become newly required to insure under a written contract.

The most we will pay for loss or damage to Buildings in any one occurrence under this Extension is \$2,000,000 at each building.

- (2) You may extend the insurance that applies to Your Business Personal

Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to that type of property at:

- (a) A building you newly acquire or construct at a location described in the Declarations; and
- (b) Any other location you acquire by purchase or lease (other than at "exhibitions").

The most we will pay for loss or damage to Your Business Personal Property and Personal Property of Others in any one occurrence under this Extension is \$1,000,000 in total at each newly acquired premises.

- (3) Insurance provided under this Extension for each newly acquired or constructed property will end when any of the following first occurs:
 - (a) This policy is cancelled or expires;
 - (b) 180 days expire after you acquire or begin to construct the property;
 - (c) You report values to us; or
 - (d) The property is more specifically insured.

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

m. Non-Owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to trailers or semi-trailers that you do not own, provided that:
 - (a) The trailer or semi-trailer is used in your business;
 - (b) The trailer or semi-trailer is in your care, custody or control at the described premises; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer or semi-trailer.
- (2) We will not pay for any loss or damage that occurs:
 - (a) While the trailer or semi-trailer is attached to any motor vehicle or

motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion; or

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

- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000.
- (4) This insurance is excess over the amount due from any other insurance covering such property, whether you can collect on it or not.

n. Outdoor Property

- (1) You may extend the insurance provided by this Coverage Form to apply to:
 - (a) Direct physical loss or damage to your outdoor:
 - (i) Fences;
 - (ii) Retaining walls that are not part of a building;
 - (iii) Lawns (including fairways, greens and tees), artificial turf (including underlayment) trees, shrubs and plants (other than "stock" of trees, shrubs or plants);
 - (iv) Bridges, walks, roadways, patios or other paved surfaces;

at the described premises caused by or resulting from a cause of loss described in (2) below;

and

- (b) The reasonable and necessary expense that you incur to remove debris of your outdoor property listed above and similar property of others at your described premises caused by a Cause of Loss listed in (2) below that occurs during the policy period. Such expenses will be paid only if they are reported to us in writing within 180 days of the direct physical loss or damage. Such payment will not increase the Limit of In-

insurance that applies to this Extension.

- (2) This Extension applies only if the loss or damage is caused by or results from the following causes of loss, and then only if they are a Covered Cause of Loss:

- (a) Fire;
- (b) Lightning;
- (c) Explosion;
- (d) Riot or Civil Commotion;
- (e) Aircraft;
- (f) Falling Objects; or
- (g) "Sinkhole Collapse".

- (3) The most we will pay for loss or damage and debris removal expense in any one occurrence under this Extension is \$25,000, but we will not pay more than \$2,500 for any one tree, shrub or plant.

o. Outside Signs

- (1) You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage by a Covered Cause of Loss to outside signs, whether or not attached to a building, at or within 1,000 feet of the described premises or at any undescribed premises.

- (2) The most we will pay in any one occurrence under this Extension for loss or damage to all outside signs:

- (a) At or within 1,000 feet of the described premises is \$100,000;
- (b) At all undescribed premises is \$5,000.

p. Personal Effects

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to personal effects or "fine arts" owned by your officers, your partners or your employees while such property is at the described premises.

- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000 at each described premises.

- (3) Our payment for loss or damage under this Extension will only be for the account of the owner of the property.

q. Personal Property At Premises Outside of the Coverage Territory

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to such property occurring at premises anywhere in the world outside of the Coverage Territory provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.

- (2) This Extension does not apply to:

- (a) Personal property at an "exhibition";
- (b) Property at any installation site or at temporary storage premises awaiting installation;
- (c) Sales representative property; or
- (d) Personal property in transit.

- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

r. Personal Property In Transit Outside of the Coverage Territory

- (1) Unless otherwise indicated in the Declarations or by endorsement, you may extend the insurance provided for Personal Property in Transit in Section **A.1.e.** (including any mode of transportation or type of shipment exclusion), to apply to Your Business Personal Property and Personal Property of Others in your care, custody or control in transit anywhere in the world outside of the Coverage Territory provided that no sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.

- (2) This Extension also applies to Covered Property in transit which is in the custody of your officers or employees.

- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000.

s. Theft Damage to Rented Property

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by theft or attempted theft to:

- (a) That part of any building at the described premises that you occupy, but do not own, and which contains the Covered Property; and
- (b) Property within such non-owned building used for maintenance or service of the non-owned building.

- (2) This Extension applies only if you are a tenant and are required in your lease to cover the expense.

- (3) We will not be liable under this Extension for loss or damage by fire or explosion, or to glass (other than glass building blocks) or to any lettering, ornamentation or burglar alarm tape on glass.

- (4) Payment under this Extension will not increase the Limit of Insurance that applies to Your Business Personal Property at the described premises where the direct physical loss or damage occurs.

t. Undamaged Parts of Stock in Process

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to the reduction in value of undamaged parts of covered products or "stock" in process which become unmarketable. The reduction in value must be the direct result of direct physical loss or damage by a Covered Cause of Loss to other parts of the covered products or "stock" in process at the described premises.

- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

u. Valuable Papers and Records – Cost of Research

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to your costs to research, replace or restore the lost information on lost or damaged "valuable papers and records" for which duplicates do not exist. The loss or damage to "valuable papers and records" must be caused by a Covered Cause of Loss.

- (2) The most we will pay for loss or damage in any one occurrence under this Extension:

- (a) At or within 1,000 feet of the described premises is \$50,000; and
- (b) While in transit or at all und-described premises is \$25,000.

B. COVERED CAUSES OF LOSS

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS unless the loss is:

- 1. Excluded in Section C., Exclusions;
- 2. Limited in Section D., Limitations; or
- 3. Excluded or limited in the Declarations or by endorsement.

C. 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 or damage. Exclusions C.1.a. through C.1.i. apply whether or not the loss event results in widespread damage or affects a substantial area.

a. Certain Computer-Related Losses

- (1) Failure, malfunction or inadequacy of:

- (a) Any of the following, whether belonging to any insured or to others:
 - (i) Computer hardware, including microprocessors;
 - (ii) Computer application software;
 - (iii) Computer operating systems and related software;
 - (iv) Computer networks;

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

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

or

(b) Any other products and services, data or functions, that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph (1)(a) above;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times.

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

If an excluded Cause of Loss as described in Paragraphs (1) and (2) above results in any of the "specified causes of loss", or in elevator collision resulting from mechanical breakdown, we will pay only for the loss or damage caused by such "specified causes of loss" or elevator collision.

We will not pay for repair, replacement or modification of any items in Paragraphs (1) and (2) above to correct any deficiencies or change in features.

b. Earth Movement

(1) Any of the following, all whether naturally occurring or due to man-made or other artificial causes:

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

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

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

(d) Earth sinking (other than "sink-hole 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; or

(e) Volcanic eruption, explosion or effusion.

(2) If Earth Movement as described in:

(a) Paragraphs (1)(a) through (1)(d) above results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion; or

(b) Paragraph (1)(e) above, 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:

(i) Airborne volcanic blast or airborne shock waves;

(ii) Ash, dust or particulate matter; or

(iii) Lava flow.

With respect to coverage for Volcanic Action as set forth in (i), (ii) and (iii) above, 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.

(3) This exclusion does not apply to:

(a) Personal property in transit;

(b) Personal property at an "exhibition";

(c) Sales representative property; or

(d) Personal property in the custody of any officer or employee of the

insured while traveling outside of the Coverage Territory.

c. Fungus, Wet Rot or Dry Rot

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

But if "fungus", wet rot or dry rot results in any of the "specified causes of loss", we will pay for the loss or damage caused by such "specified causes of loss".

This exclusion does not apply:

- (1) When "fungus", wet rot or dry rot results from fire or lightning; or
- (2) To the extent that coverage is provided under the Limited Coverage for Fungus, Wet Rot or Dry Rot Additional Coverage.

d. Governmental Action

Seizure or destruction of property by order of governmental authority except as provided for under the Additional Coverage – Ordinance or Law Coverage.

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.

e. Intentional Loss

Any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, including insureds who did not commit or conspire to commit the act causing the loss.

f. Neglect

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

g. 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.

h. Ordinance or Law

(1) The enforcement of any ordinance or law:

- (a) Regulating the construction, use or repair of any property; or
- (b) Requiring the tearing down of any property, including the cost of removing its debris.

(2) 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.

i. Utility Services

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

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

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

But if the failure or fluctuation of power, 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 or Loss.

Communication services include service relating to Internet access or access to any electronic, cellular or satellite network.

j. Virus or Bacteria

- (1) Any virus, bacterium, or other microorganism that induces or is capable of inducing physical distress, illness or disease.

- (2) With respect to any loss or damage subject to this exclusion, this exclusion supersedes any exclusion relating to "pollutants".

k. 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.

l. Water

- (1) Any of the following, all whether naturally occurring or due to man-made or other artificial causes:

- (a) 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 driven by wind (including storm surge) or not;

- (b) Mudslide or mudflow;

- (c) Water or sewage that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment. However, this exclusion does not apply to the backup or overflow of water or sewage from drains within a building if the backup or overflow is not otherwise directly or indirectly caused by the Water Exclusions in Paragraphs (a) or (b) above or in Paragraphs (d) or (e) below.

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

- (i) Foundations, walls, floors or paved surfaces;

- (ii) Basements, whether paved or not; or

- (iii) Doors, windows or other openings; or

- (e) Waterborne material carried or otherwise moved by any of the water referred to in Paragraphs (a), (c) and (d) above, or material carried or otherwise moved by mudslide or mudflow.

But if **Water**, as described in (a) through (e) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

- (2) This exclusion does not apply to:

- (a) Personal property in transit;

- (b) Personal property at an "exhibition";

- (c) Sales representative property; or

- (d) Personal property in the custody of any officer or employee of the insured while traveling outside of the Coverage Territory.

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

a. Collapse

- (1) Collapse, including any of the following conditions of property or any portion of the property:

- (a) An abrupt falling down or caving in;

- (b) Loss of structural integrity, including separation of portions of the property or property in danger of falling down or caving in; or

- (c) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion as such condition relates to Paragraphs (a) or (b) 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.

- (2) This Exclusion does not apply:

- (a) To an abrupt collapse to the extent that coverage is provided under the Abrupt Collapse Additional Coverage in (3) below; or

- (b)** To collapse of Covered Property caused by one or more of the following:
- (i)** Any of the "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;
 - (ii)** Weight of rain that collects on a roof; or
 - (iii)** Weight of people or personal property.
- (3)** Abrupt Collapse Additional Coverage
- The term Covered Cause of Loss includes abrupt collapse as described and limited under Paragraphs **(a)** through **(g)** below.
- (a)** As used in this Additional Coverage, abrupt collapse means abrupt falling down or caving in of a building or any portion of a building with the result that the building or portion of the building cannot be occupied for its intended purpose.
- (b)** We will pay for direct physical loss of or damage to Covered Property, caused by abrupt collapse of a building or any portion 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:
- (i)** Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
 - (ii)** Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
 - (iii)** 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;
 - (iv)** Use of defective material or methods of 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:
 - A cause of loss listed in Paragraphs **(3)(b)(i)** or **(3)(b)(ii)** above;
 - One or more of the "specified causes of loss";
 - Breakage of building glass;
 - Weight of people or property; or
 - Weight of rain that collects on a roof.
- (c)** Abrupt collapse under Paragraphs **(3)(a)** and **(b)** above does not apply to:
- (i)** A building or any portion of a building that is in danger of falling down or caving in;
 - (ii)** A portion of a building that is standing, even if it has separated from another portion of the building; or
 - (iii)** A building that is standing or any portion of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (d)** With respect to the following property:
- (i)** Television and radio towers, antennas, satellite dishes, guy wires, lead-in wiring and masts;
 - (ii)** Awnings, canopies, gutters, downspouts and fences;
 - (iii)** Yard fixtures;
 - (iv)** Outdoor swimming pools;
 - (v)** Bulkheads, pilings, piers, wharves and docks;

- (vi) Beach or diving platforms or appurtenances;
- (vii) Retaining walls;
- (viii) Underground pipes, flues or drains; and
- (ix) Walkways, roadways and other paved surfaces;

if abrupt collapse is caused by a Cause of Loss listed in Paragraphs (3)(b)(i) through (3)(b)(iv) above, we will pay for loss or damage to that property only if:

- (i) Such loss or damage is a direct result of the abrupt collapse of a building or any portion of a building insured under this Coverage Form; and
 - (ii) The property is Covered Property under this Coverage Form.
- (e) If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building or any portion of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- (i) The collapse of personal property was caused by a Cause of Loss listed in Paragraphs (3)(b)(i) through (3)(b)(iv) above;
 - (ii) The personal property which collapses is inside a building; and
 - (iii) The personal property which collapses is not of a kind listed in Paragraph (3)(d) above, regardless of whether that kind of property is considered to be personal property or real property.
- (f) This Abrupt Collapse Additional Coverage 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.

(g) This Abrupt Collapse Additional Coverage will not increase the Limits of Insurance provided in this Coverage Part.

b. Consequential Loss

- (1) Delay, loss of use or loss of market; or
- (2) Loss of business income or extra expense except as specifically provided in this Coverage Part.

c. Dishonesty

Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others; or
- (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your employees (including leased employees), but theft by employees is not covered.

This exclusion does not apply to carriers for hire.

d. Electrical Damage or Disturbance

Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs 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.

Electrical, magnetic or electromagnetic energy includes:

- (1) Electrical current, including arcing;
- (2) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (3) Pulse of electromagnetic energy;
- (4) Electromagnetic waves or micro-waves.

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

This Exclusion does not apply to loss or damage to "electronic data processing

equipment" or "electronic data processing data and media".

e. Explosion

Explosion of steam boilers, steam generators, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control.

But if explosion of steam boilers, steam generators, 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. Exposed Property

Rain, snow, sand, dust, ice or sleet to personal property in the open (other than to property in the custody of a carrier for hire).

g. Freezing

Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning, ventilation 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. Liquid Seepage or Leakage

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

i. Other Types of Losses

- (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, bulging 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.

This Exclusion does not apply to loss or damage to "electronic data processing equipment" or "electronic data processing data and media";

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

- (a) Dampness or dryness of atmosphere;
- (b) Changes in or extremes of temperature;
- (c) Changes in flavor, color, texture or finish;
- (d) Contamination by other than "pollutants"; and
- (e) Marring or scratching.

But if an excluded cause of loss that is listed in Paragraphs (1) through (7) above results in any of the "specified causes of loss" or building glass breakage, we will pay for the loss or damage caused by such "specified causes of loss" or building glass breakage.

Also, if an excluded cause of loss listed in Paragraphs (1) through (5) or (7) above results in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that mechanical breakdown of "electronic data processing equipment".

j. Pollution

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 any of the "specified causes of loss", we will pay for the loss or damage caused by such "specified causes of loss".

k. Smoke, Vapor or Gas

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

This exclusion does not apply to emissions or puff backs of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

l. Voluntary Parting

Voluntary parting with any property by you or anyone else to whom you have entrusted the property.

This Exclusion does not apply to insurance provided under this Coverage Form for personal property in transit if the loss to Covered Property is caused by your acceptance, in good faith, of false bills of lading or shipping receipts.

- 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.** and **3.b.** below 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 **C.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 except as provided in the Additional Coverage – Ordinance or Law Coverage.

c. Faulty, inadequate or defective:

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

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

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

(4) Maintenance;

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

If an excluded cause of loss that is listed in **3.c.** above results in a Covered Cause of Loss, we will pay for the resulting loss or damage caused by that Covered Cause of Loss. But we will not pay for:

(1) Any cost of:

(a) Correcting or making good the fault, inadequacy or defect itself; or

(b) Tearing down, tearing out, repairing or replacing any part of any property to correct the fault, inadequacy or defect;

except as specifically provided under the Water or Other Substance Loss – Tear Out and Replacement Expense Additional Coverage; or

(2) Any resulting loss or damage by a Covered Cause of Loss to the property that has the fault, inadequacy or defect until the fault inadequacy or defect is corrected.

4. Special Exclusions

The following exclusions apply only with respect to the specified coverage or property.

a. Accounts Receivable

Under the Accounts Receivable Coverage Extension, we will not pay for:

(1) Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions;

(2) Any loss or damage that requires an audit of records or an inventory computation to prove its factual existence; or

(3) Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal wrongful giving, taking or withholding of money, securities or other property. But this exclusion only applies to the wrongful giving, taking or withholding.

b. Valuable Papers and Records

We will not pay for any loss of or damage to "valuable papers and records" caused by or resulting from the following. In addition, we will not pay for any loss that is a consequence of such loss or damage.

(1) Unauthorized viewing, copying or use of electronic data (or any proprietary or confidential information or intellectual property in any form) by any person, even if such activity is characterized as theft;

- (2) Errors or omissions in processing or copying. But if errors or omissions in processing or copying results in fire or explosion, we will pay for the resulting loss or damage caused by that fire or explosion; or
- (3) Unauthorized instructions to transfer property to any person or place.

c. Electronic Data Processing Equipment and Electronic Data Processing Data and Media

- (1) We will not pay for loss of or damage to "electronic data processing equipment", any other programmable electronic machines, "electronic data processing data and media" or other electronic data caused by or resulting from the following. In addition, we will not pay for any loss that is a consequence of such loss or damage.
 - (a) Programming errors, omissions or incorrect instructions to a machine. But if programming errors, omissions or incorrect instructions to a machine result in any of the "specified causes of loss" or result in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that "specified cause of loss" or mechanical breakdown of "electronic data processing equipment";
 - (b) Unauthorized viewing, copying or use of "electronic data processing data and media" by any person, even if such activity is characterized as theft;
 - (c) Errors or deficiency in design, installation, maintenance, repair or modification of your electronic data processing system or network to which your system is connected or on which your system depends (including the electronic data in such system or network). But if errors or deficiency in design, installation, maintenance, repair or modification of your electronic data processing system or any electronic data processing system or network to which your system is

connected or on which your system depends (including the electronic data in such system or network) results in any of the "specified causes of loss" or results in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that "specified cause of loss" or mechanical breakdown of "electronic data processing equipment"; or

- (d) Unexplained or indeterminable failure, malfunction or slowdown of any electronic data processing system or network, including the electronic data in such system or network, and the inability to access or properly manipulate the electronic data.

- (2) We will not pay for loss of or damage to "electronic data processing data and media" or other electronic data while being sent electronically. In addition, we will not pay for any loss that is a consequence of such loss or damage.

5. Additional Exclusion

The following exclusion applies only to loss or damage to the specified property and to loss that is a consequence of such loss or damage to the specified property.

Loss or Damage to Products

We will not pay for loss of 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.

D. LIMITATIONS

The following limitations apply to all coverage 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 a 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. 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.
This limitation does not apply to property in the custody of a carrier for hire.
 - e. Property that has been transferred to a person or place outside the described premises on the basis of unauthorized instructions.
 - f. Trees, shrubs, plants or lawns on a vegetative roof or "stock" of outdoor trees, shrubs and plants caused by or resulting from:
 - (1) Dampness or dryness of atmosphere;
 - (2) Changes in or extremes of temperature; or
 - (3) Rain, snow, sand, dust, ice or sleet.
2. The special limit shown for each category, **a.** through **c.**, is the total limit for loss of or damage to all property in each 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:
 - a. \$25,000 for furs, fur garments and garments trimmed with fur.
 - b. \$25,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals, but;
 - (1) This limit is increased to \$50,000 for gold, silver, platinum, and other precious alloys or metals used as a raw material in your manufacturing process; and
 - (2) This limit does not apply to jewelry and watches worth \$100 or less per item.
 - c. \$5,000 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.
3. If the building where loss or damage occurs has been "vacant" for a period of more than 60 consecutive days before that loss or damage occurs:
 - a. We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
 - (1) Vandalism;
 - (2) Sprinkler leakage, unless you have protected the system against freezing;
 - (3) Building glass breakage;
 - (4) Water damage;
 - (5) Theft; or
 - (6) Attempted theft.
 - b. With respect to Covered Causes of Loss other than those listed in **a.(1)** through **a.(6)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

E. 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, Schedules, Coverage Form(s), or Endorsement(s).

Payments under:

1. The following Additional Coverages:
 - a. Fire Department Service Charge;
 - b. Fire Protective Equipment Discharge;
 - c. Limited Coverage for Fungus, Wet Rot or Dry Rot;
 - d. Stored Water; and
 - e. Water or Other Substance Loss – Tear Out and Replacement Expense;
- and
2. The following Coverage Extensions:
 - a. Covered Leasehold Interest – Undamaged Improvements and Betterments; and
 - b. Theft Damage To Rented Property;

are included in and do not increase the applicable Limits of Insurance.

Payments under the Debris Removal Additional Coverage and the Preservation of Property Additional Coverage are included in the applicable Covered Property Limit(s) of Insurance and/or are additional insurance, as described in the Debris Removal Additional Coverage in Section **A.3.a.** and the Preservation of Property Additional Coverage in Section **A.3.j.**

Payments under the Electronic Data Processing Data and Media Coverage Extension are included in the applicable Covered Property Limit(s) of Insurance and/or are additional insurance, as described in the Electronic Data Processing Data and Media Coverage Extension in Section **A.4.g.**

The remaining Additional Coverages in Section **A.3.** and the remaining Coverage Extensions in Section **A.4.** are additional insurance.

F. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the applicable Deductible, up to the applicable Limit of Insurance.

Unless otherwise stated, if more than one deductible amount applies to loss or damage in any one occurrence, the total of the deductible

amounts applied in that occurrence will not exceed the amount of the largest applicable deductible.

G. LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions – Deluxe:

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 of 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 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 and records 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.
- (9) You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent except as respects to protecting property from further damage.

- 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.**, **c.**, **d.** and **e.** 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.**, **c.**, **d.** and **e.** below.

- b. 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 Coverage Part provisions including Limits of Insurance, the Valuation Loss Condition and all other provisions of this Loss Payment Loss 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 Additional Condition – Transfer of Rights of Recovery Against Others To Us in this Coverage Form.
- c. Except as provided in the Additional Coverage - Ordinance or Law Coverage, the cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- d. The following loss payment provisions are subject to the apportionment procedures set forth in Additional Coverage – Ordinance or Law Coverage:

The most we will pay, for the total of all covered losses in any one occurrence under Coverage **A** – Coverage For Loss To The Undamaged Portion of the Building, Coverage **B** – Demolition Cost Coverage and Coverage **C** – Increased Cost of Construction Coverage, is the Combined Limit of Insurance shown in the Declarations for Ordinance or Law Coverage. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

- (1) For a loss in value of an undamaged portion of a building to which Coverage **A** applies, the loss payment for that undamaged portion of the building will be determined as follows:
- (a) If Replacement Cost Coverage applies and the property is being repaired or replaced, on the same or another location, we will not pay more than the lesser of:
 - (i) The cost to repair, rebuild or reconstruct the undamaged portion of the building that was necessarily demolished as a consequence of the ordinance or law but not for more than the amount it would cost to restore that undamaged portion of the building on the same location and to the same height, floor area, style and comparable quality of the original property insured; or
 - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage – Ordinance or Law Coverage.
 - (b) If Replacement Cost Coverage applies and the property is not repaired or replaced, or if Replacement Cost Coverage does not apply, we will not pay more than the lesser of:
 - (i) The Actual Cash Value at the time of loss of the undamaged portion of the building that is required to be demolished as a consequence of the ordinance or law; or
 - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage – Ordinance or Law Coverage.
- (2) Loss payment under Coverage **B** will be determined as follows:
- (a) The amount you actually spend to demolish and clear the site; or
 - (b) The Combined Limit of Insurance shown in the Declarations for the
- Additional Coverage – Ordinance or Law Coverage;
- whichever is less.
- (3) Loss payment under Coverage **C** will be determined as follows:
- (a) We will not pay under Coverage **C**:
 - (i) Until the property is actually repaired or replaced, at the same or another location; and
 - (ii) Unless the repairs or replacement are 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 location, or if you elect to rebuild at another location, the most we will pay under Coverage **C** is the lesser of:
 - (i) The increased cost of construction at the same location; or
 - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage – Ordinance or Law Coverage.
 - (c) If the ordinance or law requires relocation to another location, the most we will pay under Coverage **C** is the lesser of:
 - (i) The increased cost of construction at the new location; or
 - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage – Ordinance or Law Coverage.
- e. Except as specifically provided under the:
- (1) Green Building Alternatives – Increased Cost Additional Coverage; and
 - (2) Green Building Reengineering and Recertification Expense Additional Coverage;

the cost to repair, rebuild or replace does not include any cost incurred to reattain a pre-loss level of "green building" certification from a "Green Authority".

- f. With respect to our options listed in **4.a.(1)** through **4.a.(4)** above, we will give notice of our intentions within 30 days after we receive the proof of loss.
- g. We will not pay you more than your financial interest in the Covered Property.
- h. 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 owner's property. We will not pay the owners more than their financial interest in the Covered Property.
- i. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- j. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if:
 - (1) You have complied with all of the terms of this Coverage Part; and
 - (2) (a) We have reached agreement with you on the amount of loss; or
(b) An appraisal award has been made.
- k. At our option, we may make a partial payment toward any claims, subject to the policy provisions and our normal adjustment process. To be considered for a partial claim payment, you must submit a partial sworn proof of loss with supporting documentation. Any applicable policy deductibles must be satisfied before any partial payments are made.

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.

- a. We will pay:
 - (1) Recovery expenses; and
 - (2) Costs to repair the recovered property;
- b. But the amount we will pay will not exceed:

- (1) The total of **a.(1)** and **a.(2)** above;
 - (2) The value of the recovered property; or
 - (3) The Limit of Insurance;
- whichever is less.

6. Valuation

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

a. At replacement cost as of the time of loss or damage, except as otherwise provided in this Valuation Loss Condition. Replacement cost is the cost to replace Covered Property at the time of loss or damage without deduction for depreciation.

- (1) You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the loss or damage.
- (2) We will not pay on a replacement cost basis for any loss or damage:
 - (a) Until the lost or damaged property is actually repaired or replaced; and
 - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

Instead, we will pay on an actual cash value basis. This restriction does not apply to losses less than \$10,000.

- (3) We will not pay more for loss or damage on a replacement cost basis than the least of **(a)**, **(b)**, or **(c)**, subject to **(4)** below:
 - (a) The Limit of Insurance applicable to the lost or damaged property;
 - (b) The cost to replace, at the same premises, the lost or damaged property with other property;
 - (i) Of comparable material and quality; and

(ii) Used for the same purpose;
or

(c) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a different premises, the cost described in (b) above is limited to the cost which would have been incurred had the building been built at the original premises.

(4) The cost to repair, rebuild, or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property, except as provided in the Additional Coverage - Ordinance or Law Coverage.

b. "Electronic data processing equipment" will be valued at replacement cost as of the time and place of loss, in accordance with the replacement cost provisions contained in this Valuation Loss Condition. However, if replacement of "electronic data processing equipment" with comparable property is impossible, the replacement cost will be the cost of items that are similar to the damaged or destroyed equipment and intended to perform the same function, but which may include technological advances.

In no event will the value determined for:

(1) "Electronic data processing equipment" owned by others exceed the amount for which you are liable; or

(2) "Electronic data processing equipment" that is obsolete or no longer used by you exceed the actual cash value of such equipment at the time of loss.

c. "Electronic data processing data and media" will be valued at:

(1) The cost of blank media; and

(2) The cost of labor to copy the electronic data from a duplicate of the electronic data, but only if the lost electronic data is actually copied.

The restoration of "electronic data processing data and media" for which duplicates do not exist is provided under the

Electronic Data Processing Data and Media Coverage Extension.

d. Tenant's improvements and betterments at:

(1) Replacement cost of the lost or damaged property if it is actually repaired or replaced as soon as reasonably possible.

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

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

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

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

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

e. Personal property you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

f. Personal property of others at the lesser of:

(1) The valuation of such property if it were owned by you; or

(2) The amount for which you are contractually liable, not to exceed the replacement cost.

g. "Stock" in process at the cost of raw materials and labor, plus the proper proportion of overhead charges.

h. Finished "stock" you manufacture at:

(1) The selling price, as if no loss or damage occurred;

(2) Less discounts and expenses you otherwise would have had.

i. Personal property in transit at:

(1) (a) The amount of invoice; or

- (b) In the absence of an invoice, the least of the following:
 - (i) The value of the Covered Property;
 - (ii) The cost of reasonably restoring that property to its condition immediately before loss or damage; or
 - (iii) The cost of replacing that property with substantially the same property;
 plus
 - (2) The amount of any prepaid freight charges and other shipping costs or charges that are incurred while the property is in transit.
- j. Glass at:
 - (1) The cost of replacement with safety glazing material if required by law;
 - plus
 - (2) The amount of reasonable expenses incurred to put up temporary plates or board up openings if repair or replacement of the damaged glass is delayed.
- k. "Valuable papers and records" at the cost of:
 - (1) Blank material for reproducing the records; and
 - (2) Labor to transcribe or copy records for which duplicates exist.

The restoration of data on "valuable papers and records" for which duplicates do not exist is provided under the Valuable Papers and Records – Cost of Research Coverage Extension.
- l. Works of arts, antiques or rare articles at the least of:
 - (1) The price at which the property could likely be sold prior to loss or damage if offered for sale in a fair market on the date the loss or damage occurred;
 - (2) The cost of reasonably restoring that property; or
 - (3) The cost of replacing that property with substantially the same property.
- m. Personal property at "exhibitions" at the lesser of replacement cost or the original cost to you.
- n. Patterns, dies, molds, and forms not in current usage at actual cash value. If loss is paid on an actual cash value basis, and within 24 months from the date of the loss you need to repair or replace one or more of them, we will pay you, subject to the conditions of this insurance, the difference between actual cash value and replacement cost for those patterns, molds and dies which are actually repaired or replaced.
- o. Personal property valuation includes the pro-rated value of non-refundable and non-transferable extended warranties, maintenance contracts or service contracts that you purchased, on lost or damaged personal property that you repair or replace. This applies only when the extended warranty, maintenance contract or service contract is voided due to the loss or damage to the personal property.
- p. If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss and we take all or part of the property at an agreed or appraised value, we will pay, subject to the Limit of Insurance that applies to the damaged property:
 - (1) The reasonable expenses you incur to:
 - (a) Stamp the word *Salvage* on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
 - (b) Remove the brands or labels, if doing so will not physically damage the merchandise. You must re-label the merchandise or its containers to comply with the law.
 - (2) The reduction in the salvage value of the damaged merchandise with the brand or label removed.
- q. If you decide to repair or rebuild buildings which have sustained loss or damage, our payment will include any reasonable and necessary architectural, engineering, consulting or supervisory fees incurred. This will not increase the applicable Limits of Insurance.
- r. Pairs, sets or parts:
 - (1) In case of loss to any part of a pair or set we may at our option:

- (a) Repair or replace any part to restore the pair or set to its value before the loss; or
 - (b) Pay the difference between the value of the pair or set before and after the loss.
- (2) In case of loss to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Policy Conditions – Deluxe:

1. 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:

- a. This Coverage Part;
- b. The Covered Property;
- c. Your interest in the Covered Property; or
- d. A claim under this Coverage Part.

2. Control of Property

The breach of any condition of this Coverage Part as a result of 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.

3. Currency

The amounts used within this Coverage Part are in the currency of the United States of America and all premium and losses are payable in United States currency. In the event of a loss adjustment involving currency other than United States currency, the conversion into United States currency will be at the published rate of exchange as of the date of the loss.

4. Legal Action Against Us

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

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

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

5. Liberalization

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

6. 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 non-payment of premium; or
 - (2) 60 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 60 days before the expiration date of this policy.

7. No Benefit to Bailee

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

8. Other Insurance

- a. 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.
- b. If there is other insurance covering the same loss or damage, other than that described in Paragraph **a.** 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.
- c. If loss or damage is also covered by a service agreement, any amounts payable for such loss or damage under this Coverage Part will be excess over any amounts payable under such agreement. Service agreement means a service plan, property restoration plan, or similar ser-

vice warranty agreement, even if it is characterized as insurance.

9. Policy Period, Coverage Territory

Under this Coverage Part:

- a. We cover loss or damage commencing:
 - (1) During the policy period shown in the Declarations; and
 - (2) Within the Coverage Territory.
- b. Except as otherwise specifically provided, the Coverage Territory is:
 - (1) The United States of America (including its territories and possessions);
 - (2) Puerto Rico; and
 - (3) Canada.

10. 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:

- a. Prior to a loss under this Coverage Part.
- b. After a loss under this Coverage Part only if, at time of loss, that party is one of the following:
 - (1) Someone insured by this insurance;
 - (2) A business firm:
 - (a) Owned or controlled by you; or
 - (b) That owns or controls you; or
 - (3) Your tenant.

This will not restrict your insurance.

11. Unintentional Errors In Description

Your error in how you describe the address of a location in the Location Schedule shall not prejudice coverage afforded by this policy, provided such error is not intentional. Any such error shall be reported and corrected when discovered and appropriate premium charged.

I. OPTIONAL COVERAGES

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

1. **Actual Cash Value** replaces the term Replacement Cost where used in the Valuation Loss Conditions in Section **G.6.** of this Coverage Form.

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 the increase is: \$100,000 x .08 x 146/365 = \$3,200

J. **DEFINITIONS**

1. **"Electronic Data Processing Data and Media"** means the following:

a. "Electronic data processing data and media" means:

(1) Data stored on, created or used on, or transmitted to or from computer software (including systems and applications software) on electronic data processing recording or storage media such as hard or floppy disks, CDs, DVDs, flash memory, tapes, drives, cells, data processing devices or any other repositories of computer

software which are used with electronically controlled equipment;

(2) The electronic media on which the data is stored; and

(3) Programming records and instructions used with "electronic data processing equipment".

b. "Electronic data processing data and media" does not mean:

(1) Prepackaged software;

(2) Property that you manufacture or hold for sale; or

(3) Property that is licensed, leased, or rented to others.

2. **"Electronic Data Processing Equipment"** means the following:

a. "Electronic data processing equipment" means any of the following equipment used in your data processing operations:

(1) Electronic data processing equipment, facsimile machines, word processors, multi-functional telephone equipment and laptop and portable computers; and

(2) Any component parts or peripherals of such equipment, including related surge protection devices.

b. "Electronic data processing equipment" does not mean:

(1) Property that is in the course of manufacture, or held for sale or distribution by you;

(2) Property that is leased or rented to others; or

(3) Equipment that is used to control or operate production-type machinery or equipment.

3. **"Employee Tools"** means tools and equipment owned by your employees and used in your business operations.

4. **"Exhibition"** means the temporary display of personal property at a convention, exposition, trade show or similar event at a location you do not own or regularly occupy.

5. **"Fine Arts"** means paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac and

similar property of rarity, historical value, or artistic merit.

6. **"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.
7. **"Green"** means products, materials, methods and processes that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize the environmental impact.
8. **"Green Authority"** means a recognized authority on "green" building or "green" products, materials or processes.
9. **"Interior of a Building or Structure"** means any portion of a building or structure that is within the exterior-facing surface material of the building or structure.
10. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste and any unhealthful or hazardous building materials (including but not limited to asbestos and lead products or materials containing lead). Waste includes materials to be recycled, reconditioned or reclaimed.
11. **"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.

12. **"Specified Causes of Loss"** means the following: Fire; lightning; explosion; windstorm or hail; smoke (including the emission or puff back of smoke, soot, fumes or vapors from a boiler, furnace or related equipment); aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects as limited below; weight of snow, ice or sleet; "water damage", all only as otherwise insured against in this Coverage Part.

Falling objects does not include loss or damage to:

- a. Personal property in the open; or

- b. The "interior of a building or structure", or property inside a building or structure, unless the roof or an exterior wall of the building or structure is first damaged by a falling object.

When the Causes of Loss – Earthquake endorsement, Causes of Loss – Earthquake Sprinkler Leakage endorsement or Causes of Loss – Broad Form Flood endorsement is included in this Coverage Part, "specified causes of loss" also includes such cause of loss, but only to the extent such cause of loss is insured against under this Coverage Part.

13. **"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.
14. **"Territorial Waters"** means that portion of the sea which is immediately adjacent to the shores of any country and over which the sovereignty and exclusive jurisdiction of that country extends, but not exceeding 12 nautical miles from the mean low-water mark of the shore of that country.
15. **"Vacant"** means the following:
 - a. When this policy is issued to a tenant, a building is "vacant" when it does not contain enough business personal property to conduct customary operations. With respect to tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant.
 - b. When this policy is issued to the owner or general lessee of a building, a building is "vacant" unless at least 31% of its total square footage is:
 - (1) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
 - (2) Used by the building owner to conduct customary operations.With respect to the owner or general lessee's interest in Covered Property, building means the entire building.
 - c. A building under construction or renovation is not considered "vacant".
16. **"Valuable Papers and Records"** means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps and mortgages.

But "Valuable papers and records" does not mean:

- a. Accounts receivable;
- b. Money or securities; or
- c. "Electronic data processing data and media" or any other data that exists on electronic media.

17. "Water damage" means:

- a. 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

- b. Accidental discharge or leakage of water as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the described premises, if the breakage or cracking is caused by wear and tear. This provision serves as an exception to the wear and tear exclusion under the Other Types of Losses Exclusion in Section **(C.2.i.)**. But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion **(C.1.I.)**.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

WINDSTORM OR HAIL DEDUCTIBLES

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

The Windstorm or Hail Deductible, as shown in the Declarations 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 (**C.1.I.**) in the Deluxe Property Coverage Form or any other exclusion in this policy. If this policy is endorsed to cover Flood under the Causes of Loss – Broad Form Flood 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.

A. Percentage Deductible

When a percentage (%) is shown as the applicable Deductible in the Declarations, the following applies:

1. This Deductible is calculated separately for and applies separately to each of the following items of insurance:
 - a. Each building, if two or more buildings sustain loss or damage;
 - b. The building and to personal property in that building, if both sustain loss or damage;
 - c. Personal property at each building, if personal property at two or more buildings sustain loss or damage;
 - d. Personal property in the open;
 - e. Any other property insured under this Coverage Part.
2. In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2%, 3%, 4%, 5% or 10% (as shown in the Declarations) of :
 - a. The Limit of Insurance applicable to each item of insurance that has sustained loss or damage when specific insurance applies to that item of insurance, meaning a

separate Limit of Insurance applies only to that item of insurance (for example, each building or personal property in a building); or

- b. The value of each item of insurance that has sustained loss or damage when blanket insurance applies to that item of insurance, meaning a single Limit of Insurance applies to two or more items of insurance (for example, a building and personal property in that building or two buildings). The value(s) to be used are those shown in the most recent Statement of Values on file with us. If there is no value on file with us for the item of insurance, we will use the value of that item of insurance at the time of loss.

For newly constructed or acquired property to which the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies, we will deduct an amount equal to a percentage of the value of each item of insurance at the time of loss. The applicable percentage used will be the highest percentage that applies at any premises location for which a percentage Deductible is shown in the Declarations.

3. When the percentage Deductible shown in the Declarations is subject to:
 - a. A minimum dollar amount in any one occurrence; or
 - b. A minimum dollar amount in any one occurrence at each premises location;

the percentage Deductible will be calculated as described in **A.1.** and **A.2.** above, but the minimum amount we will deduct in any one occurrence, or in any one occurrence at each premises location (as indicated in the Declarations), is the minimum dollar amount shown in the Declarations.

4. We will not pay for loss or damage in any one occurrence 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 Limits of Insurance, after any reduction required by any applicable coinsurance condition or any value reporting provision relating to full reporting or failure to submit reports.

B. Dollar Deductible

When:

1. A dollar amount in any one occurrence; or
2. A dollar amount in any one occurrence at each premises location;

is shown as the applicable Deductible in the Declarations, we will not pay for loss or damage in any one occurrence, or in any one occurrence at each premises location (as indicated in the Declarations), until the total amount of loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limits of Insurance, after any reduction required by any applicable coinsurance condition or any value reporting provision relating to full reporting or failure to submit reports. When no percentage deductible is shown in the Declarations for Windstorm or Hail, the Deductible applicable to newly constructed or acquired property to which the Newly Constructed or Acquired Property Coverage Extension in the Deluxe Property Coverage Form applies is the highest dollar De-

ductible that applies at any premises location for which a dollar Deductible is shown in the Declarations.

C. Hour Deductible

When an hour Deductible is stated in the Declarations the following is applicable to your Business Income Coverage:

We will not pay for loss of Business Income in any one occurrence that you incur during the period of time that:

- a. Begins at the time of direct physical loss or damage by Windstorm or Hail that triggers the Business Income coverage; and
- b. Continues for the consecutive number of hours shown in the Declarations as the applicable Business Income hour Deductible.

We will then pay the amount of loss in excess of the Deductible, up to the Limit of Insurance, after any reduction required by any applicable coinsurance condition.

The Deductible applicable to Business Income coverage at locations to which the Newly Acquired Locations Coverage Extension in the Business Income (and Extra Expense) Coverage Form or Business Income (Without Extra Expense) Coverage Form applies, is the highest hour deductible that applies at any premises location for which an hour Deductible is shown in the Declarations.

- D. No deductible applies to Extra Expense.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.

Each of the following Clauses, **A**, **B**, **C** and **D**, is added to the Loss Payment Loss Condition as indicated in the Schedule below.

A. LOSS PAYABLE CLAUSE

For Covered Property in which both you and a Loss Payee shown in the Schedule below have an insurable interest, we will:

- 1. Adjust losses with you; and
- 2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

B. LENDER'S LOSS PAYABLE CLAUSE

1. The Loss Payee shown in the Schedule below is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:

- a. Warehouse receipts;
- b. A contract for deed;
- c. Bills of lading;
- d. Financing statements; or
- e. Mortgages, deeds of trust, or security agreements.

2. For Covered Property in which both you and a Loss Payee have an insurable interest:

- a. We will pay for covered loss or damage to each Loss Payee in their order or precedence, as interest may appear.
- b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
- c. If we deny your claim because of your acts or because you have failed to com-

ply with terms of this Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (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 Loss Payee.

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

d. If we pay the Loss Payee 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 Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:

- a. 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or

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

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

C. CONTRACT OF SALE CLAUSE

1. The Loss Payee shown in the Schedule below is a person or organization you have entered into a contract with for the sale of Covered Property.

2. For Covered Property in which both you and the Loss Payee have an insurable interest, we will:

- a. Adjust losses with you; and
- b. Pay any claim for loss or damage jointly to you and the Loss Payee, as interest may appear.

3. The following is added to the Other Insurance Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

D. BUILDING OWNER LOSS PAYABLE CLAUSE

1. The Loss Payee shown in the Schedule below is the owner of the described building, in which you are a tenant.

2. We will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.

3. We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.

SCHEDULE

**Premises Location Number: Building Number: Applicable Clause
(Indicate A, B, C or D):**

Description of Property:

SEE DX T8 93 03 99

Loss Payee Name:

Loss Payee Address:

POLICY NUMBER: P-630-0696L335-TCT-15

COMMERCIAL PROPERTY
ISSUE DATE: 07-30-15

LOSS PAYABLE PROVISIONS SCHEDULE

Loss Payee (Name & Address)

CIT COMMUNICATIONS FIN CORP

C/O ABIC-SPECIALTY SVS 5TH FLR

P.O. BOX BOX 979220

MIAMI

FL 33197

Prem. No.	Bldg. No.	Description of Property	Provisions Applicable
1	1	OFFICE EQUIPMENT	Loss Payable

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses under this Coverage Part is included in the Coverage Part premium. The charge for such Insured Losses that has been included for this Coverage Part is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA:

- 7% of your total Deluxe Property Coverage Part premium if your primary location is in a Designated City (as listed below).
- 3% of your total Deluxe Property Coverage Part premium if your primary location is not in a Designated City (as listed below).

DELUXE PROPERTY

Designated Cities are:

Albuquerque, NM	El Paso, TX	Miami, FL	San Diego, CA
Atlanta, GA	Fort Worth, TX	Milwaukee, WI	San Antonio, TX
Austin, TX	Fresno, CA	Minneapolis, MN	San Francisco, CA
Baltimore, MD	Honolulu, HI	Nashville-Davidson, TN	San Jose, CA
Boston, MA	Houston, TX	New Orleans, LA	Seattle, WA
Charlotte, NC	Indianapolis, IN	New York, NY	St. Louis, MO
Chicago, IL	Jacksonville, FL	Oakland, CA	Tucson, AZ
Cleveland, OH	Kansas City, MO	Oklahoma City, OK	Tulsa, OK
Colorado Springs, CO	Las Vegas, NV	Omaha, NE	Virginia Beach, VA
Columbus, OH	Long Beach, CA	Philadelphia, PA	Washington, DC
Dallas, TX	Los Angeles, CA	Phoenix, AZ	Wichita, KS
Denver, CO	Memphis, TN	Portland, OR	
Detroit, MI	Mesa, AZ	Sacramento, CA	

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RHODE ISLAND CHANGES

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

- A.** The last sentence of the LOSS CONDITIONS – Appraisal does not apply.
- B.** The following is added to the LOSS CONDITIONS – Appraisal:
1. You and we must notify the other of the appraiser selection within 20 days of the written demand for appraisal.
 2. If the appraisers do not agree on the selection of an umpire within 15 days, they must request selection of an umpire by a judge of a court having jurisdiction.
- C.** The following is added to Section **D. Limitations** of the Deluxe Property Coverage Form.
- If the building where loss occurs has been vacant or unoccupied for more than 30 consecutive days after a local building inspector issues an order stating that the building is in violation of the State Building Code, we will not pay for any loss or damage caused by:
1. Fire; or
 2. Lightning
- A building is vacant when it does not contain enough business personal property to conduct customary operations. A building under construction is not considered vacant.
- Unoccupied means containing personal property usual to the occupancy of the building while customary activity and operations are suspended. This does not apply to such suspensions when they are usual and incidental to the occupancy.
- D.** The following is added:
- No provision, stipulation or forfeiture will be held to be waived by any requirement or proceeding on our part relating to appraisal or any examination provided for in this policy.
- E.** The following is added when this Coverage Part applies to loss or damage to Buildings by fire or explosion, other than owner-occupied 1- to 4-family dwellings:
1. We will not pay for a loss that is more than \$10,000 unless we receive from you a certificate issued by the taxing jurisdiction official that shows:
 - a. That no lien exists for the benefit of the taxing jurisdiction; or
 - b. The amount of any such lien that exists; against the building or structure.The \$10,000 limit shown above may be adjusted yearly for inflation by the Insurance Department.
 2. Under the following conditions, we will put our payment for loss or damage into an interest-bearing escrow account:
 - a. The taxing jurisdiction official certifies a lien exists. We will not put more than the amount of that lien into the account.
 - b. You do not receive a certificate from the taxing jurisdiction official within 30 days after you file a statement of loss with us. In this case, we will put the entire loss payment into the account.
 3. But, if you can prove to us that:
 - a. You have requested the certificate by certified mail; and
 - b. The taxing jurisdiction official has not provided it to you within 15 days after your request;we will make our payment directly to you as soon as possible.
 4. Also, if the taxing authority certifies that it has received proof that you will repair or rebuild on the same premises where the loss or damage occurred, we can then pay you directly for the loss or damage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

ELECTRONIC VANDALISM LIMITATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

When included in this policy, this endorsement also modifies insurance provided under the COMMERCIAL INLAND MARINE COVERAGE PART.

SCHEDULE

Electronic Vandalism Limit of Insurance,
aggregate in any 12-month period of this policy: **\$ 10,000** unless a higher limit is shown: \$

This endorsement limits the insurance provided under this policy for direct physical loss or damage caused by or resulting from "electronic vandalism" and for loss that is a consequence of such direct physical loss or damage.

The DEDUCTIBLE provisions of this policy continue to apply. But in no event will the total of all applicable deductible amounts applied in any one occurrence of "electronic vandalism" be less than \$1,000.

A. LIMITATION – ELECTRONIC VANDALISM

The following LIMITATION is added:

The most we will pay for all loss or damage caused directly or indirectly by or resulting from "electronic vandalism" in any one policy year, commencing with the inception date of this endorsement, is the Electronic Vandalism Limit of Insurance shown in the Schedule of this endorsement. This limit:

- 1. Applies regardless of the number of locations, items or types of property or coverages or Coverage Forms involved; and
- 2. Is part of, and does not increase the Limits of Insurance provided under this policy.

But if "electronic vandalism" results in a "specified cause of loss", other than vandalism, this limitation will not apply to the resulting loss or damage caused by that "specified cause of loss".

B. ELECTRONIC VANDALISM MINIMUM DEDUCTIBLE

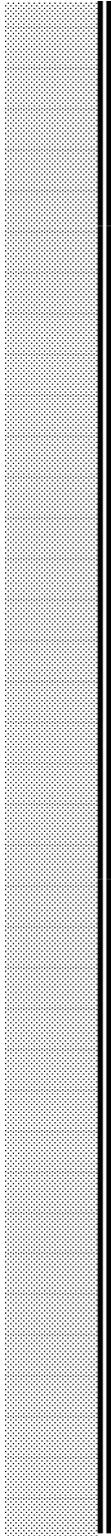
The following deductible provision is added and applies to all coverages, including Extra Expense:

C. ELECTRONIC VANDALISM DEFINED

"Electronic Vandalism", as used in this endorsement means:

- 1. Willful or malicious destruction of computer programs, content, instructions or other electronic or digital data stored within computer systems.
- 2. Unauthorized computer code or programming that:
 - a. Deletes, distorts, corrupts or manipulates computer programs, content, instructions or other electronic or digital data, or otherwise results in damage to computers or computer systems or networks to which it is introduced;
 - b. Replicates itself, impairing the performance of computers or computer systems or networks; or
 - c. Gains remote control access to data and programming within computers or computer systems or networks to which it is introduced, for uses other than those intended for authorized users of the computers or computer systems or networks.

GENERAL LIABILITY



GENERAL LIABILITY



One Tower Square, Hartford, Connecticut 06183

**COMMERCIAL GENERAL LIABILITY
COVERAGE PART DECLARATIONS**

POLICY NO.: P-630-0696L335-TCT-15
ISSUE DATE: 07-30-15

INSURING COMPANY:

THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT

DECLARATIONS PERIOD: From 08-01-15 to 08-01-16 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial General Liability Coverage Part consists of these Declarations and the Coverage Form shown below.

1. COVERAGE AND LIMITS OF INSURANCE:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM	LIMITS OF INSURANCE
General Aggregate Limit (Other than Products-Completed Operations)	\$ 2,000,000
Products-Completed Operations Aggregate Limit	\$ 2,000,000
Personal & Advertising Injury Limit	\$ 1,000,000
Each Occurrence Limit	\$ 1,000,000
Damage To Premises Rented To You Limit (any one premises)	\$ 100,000
Medical Expense Limit (any one person)	\$ 5,000

2. AUDIT PERIOD: ANNUAL

3. FORM OF BUSINESS: CORPORATION

4. NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

**COMMERCIAL GENERAL LIABILITY COVERAGE
IS SUBJECT TO A GENERAL AGGREGATE LIMIT**

DECLARATIONS PREMIUM SCHEDULE

POLICY NUMBER: P-630-0696L335-TCT-15

This Schedule applies to the Declarations for the period of 08-01-15 to 08-01-16

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

OPN NO.	LOC/BLDG NO.	CLASS DESCRIPT/ CODE NO.	SUBLINE	PREMIUM BASE/ EXPOSURE	RATES	ADVANCE PREMIUM	
MINIMUM PREMIUMS							
		PREM/OPS		\$370			
		LOB		\$250			
	1/	1 ELECTRIC LIGHT OR POWER COMPANIES PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT.					
001		92445	PREM/OPS	P	428,208	75.544	32,349
	1/	1 ADDITIONAL INTEREST-OWNERS, LESSEES OR CONTRACTORS					
002		49950	PREM/OPS		413,453	.100%	3,123
	2/	7 VACANT LAND - OTHER THAN NOT-FOR-PROFIT PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT.					
003		49451 EACH	PREM/OPS	T ACRE	1	31.990	32
COVERAGE PART TOTAL						35,504	

*This class is subject to the prem/ops transition program.

If an "X" is entered in this box, these Declarations are completed on the Premium Schedule Extension CG T0 12.

KEY TO DECLARATIONS PREMIUM SCHEDULE

ABBREVIATIONS:

CLASS DESCRIPT – means CLASS DESCRIPTION

LOC/BLDG NO. – means LOCATION/BUILDING NUMBER

OPN NO. – means OPERATION NUMBER

PREM/OPS – means PREMISES/OPERATIONS

PROD/C-OPS – means PRODUCTS/COMPLETED OPERATIONS

PREMIUM BASE:

Key Letter	Premium Base	How Rates Apply
a	Area	per 1,000 square feet
c	Total Cost	per \$1,000 of total cost
m	Admissions	per 1,000 admissions
o	Total Operating Expense	per \$1,000 of total operating expenditures
p	Payroll	per \$1,000 of payroll
s	Gross Sales	per \$1,000 of gross sales
t	(see note* below)	(see note* below)
u	Units	per unit

* Premium base t applies for a number of rarely used premium bases. The specific base and how rates apply are shown with the Class Description on the DECLARATIONS-PREMIUM SCHEDULE.

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COVERAGE FORM
CG 00 01 10 01**

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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.

COMMERCIAL GENERAL LIABILITY

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

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 from equipment used to heat that building;
 - (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".

COMMERCIAL GENERAL LIABILITY

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 the operation of any of the 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" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

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 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

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".

COMMERCIAL GENERAL LIABILITY

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of websites for others; or
- (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 or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "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".

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:
 - (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (3) 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 taking part in athletics.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

h. War

Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

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 costs taxed against the insured in the "suit".
 - 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

COMMERCIAL GENERAL LIABILITY

interest based on that period of time after the offer.

- g.** All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2.** If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a.** The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b.** This insurance applies to such liability assumed by the insured;
- c.** The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d.** The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e.** The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f.** The indemnitee:

(1) Agrees in writing to:

- (a)** Cooperate with us in the investigation, settlement or defense of the "suit";
- (b)** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c)** Notify any other insurer whose coverage is available to the indemnitee; and
- (d)** Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

- (a)** Obtain records and other information related to the "suit"; and
- (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:

- a.** We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b.** The conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

- 1.** If you are designated in the Declarations as:

- a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c.** A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d.** An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e.** A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:
- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
 - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
 - (d) Arising out of his or her providing or failing to provide professional health care services.
 - (2) "Property damage" to property:
 - (a) Owned, occupied or used by,
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
 - 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. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:
- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
 - b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.
4. 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.

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No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to 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 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 Cbecause of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to 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 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 **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 **c.** below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

- (c) 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

- (d) 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.

- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.

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.

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:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

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 contrib-

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ute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "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 **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 **a.** above;
 - (2) The activities of a person whose home is in the territory described in **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 **a.** above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
 if such property can be restored to use by:
 - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. 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

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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 **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 **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

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.

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b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, qual-

ity, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF COVERAGE – POLLUTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

Paragraph **f.(2) Pollution**, Part 2. **Exclusions of SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is deleted and replaced by the following:

(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, re-

move, 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 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".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

A. AMENDMENT OF DEFINITION OF PERSONAL AND ADVERTISING INJURY

The following replaces the definition of "personal and advertising injury" in the **DEFINITIONS** Section:

"Personal and advertising injury" means "personal injury" or "advertising injury".

B. AMENDMENT OF CONTRACTUAL LIABILITY EXCLUSION – EXCEPTION FOR DAMAGES BECAUSE OF PERSONAL INJURY ASSUMED BY NAMED INSURED IN AN INSURED CONTRACT

1. The following is added to Exclusion **e.**, **Contractual Liability**, in Paragraph **2.** of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

This exclusion also does not apply to liability for damages because of "personal injury" assumed by you in a contract or agreement that is an "insured contract", provided that the "personal injury" is caused by an offense committed subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "personal injury", provided that:

- (1) Liability to such party for, or for the cost of, that party's defense has also been assumed by you in the same "insured contract"; and
- (2) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

2. The following replaces the third sentence of Paragraph **2.** of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**:

Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** or Paragraph **2.e.** of Section **I – Coverage B – Personal and Advertising Injury Liability**, such payments will not be deemed to be damages because of "bodily injury", "property damage" or "personal injury", and will not reduce the limits of insurance.

3. The following replaces the first paragraph of Paragraph **f.** of the definition of "insured contract" in the **DEFINITIONS** Section:

- 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", "property damage" or "personal injury" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

C. ADDITION OF ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION EXCLUSION

The following exclusion is added to Paragraph **2.**, **Exclusions**, of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

Access Or Disclosure Of Confidential Or Personal Information

"Personal injury" or "advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information.

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D. AMENDMENT OF OTHER EXCLUSIONS

1. The following replaces Exclusion **b.**, **Material Published With Knowledge Of Falsity**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

b. Material Published With Knowledge Of Falsity

"Personal injury" or "advertising injury" arising out of oral or written publication, including publication by electronic means, of material, if done by or at the direction of the insured with knowledge of its falsity.

2. The following replaces Exclusion **c.**, **Material Published Prior To Policy Period**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

c. Material Published Or Used Prior To Policy Period

(1) "Personal injury" or "advertising injury" arising out of oral or written publication, including publication by electronic means, of material whose first publication took place before the beginning of the policy period; or

(2) "Advertising injury" arising out of infringement of copyright, "title" or "slogan" in your "advertisement" whose first infringement in your "advertisement" was committed before the beginning of the policy period.

3. The following replaces Exclusion **f.**, **Breach Of Contract**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

f. Breach Of Contract

"Advertising injury" arising out of a breach of contract.

4. The following replaces Exclusion **g.**, **Quality Or Performance of Goods – Failure To Conform To Statements**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Advertising injury" arising out of the failure of goods, products or services to con-

form with any statement of quality or performance made in your "advertisement".

5. The following replaces Exclusion **h.**, **Wrong Description Of Prices**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

h. Wrong Description Of Prices

"Advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

6. The following replaces Exclusion **i.**, **Infringement Of Copyright, Patent, Trademark, Or Trade Secret**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

i. Intellectual Property

"Personal injury" or "advertising injury" arising out of any actual or alleged infringement or violation of any of the following rights or laws, or any other "personal injury" or "advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation:

- (1) Copyright;
- (2) Patent;
- (3) Trade dress;
- (4) Trade name;
- (5) Trademark;
- (6) Trade secret; or
- (7) Other intellectual property rights or laws.

This exclusion does not apply to:

- (1) "Advertising injury" arising out of any actual or alleged infringement or violation of another's copyright, "title" or "slogan" in your "advertisement"; or
- (2) Any other "personal injury" or "advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation of another's copyright, "title" or "slogan" in your "advertisement".

7. The following replaces Exclusion **j.**, **Insureds In Media And Internet Type Businesses**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

j. Insureds In Media And Internet Type Businesses

"Personal injury" or "advertising injury" arising out of an offense committed by an insured whose business is:

- (1) Advertising, "broadcasting" or publishing;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

This exclusion does not apply to Paragraphs **a.(1), (2) and (3)** of the definition of "personal injury".

For the purposes of this exclusion:

- (1) Creating and producing correspondence written in the conduct of your business, bulletins, financial or annual reports, or newsletters about your goods, products or services will not be considered the business of publishing; and
- (2) The placing of frames, borders or links, or advertising, for you or others anywhere on the Internet will not, by itself, be considered the business of advertising, "broadcasting" or publishing.

8. The following replaces Paragraph (2) of Exclusion n., Pollution-Related, in Paragraph 2. of SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY:

- (2) Claim or suit by or on behalf of a governmental authority 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".

E. AMENDMENT OF WHO IS AN INSURED

The following replaces the introductory phrase of Paragraph **2.a.(1)** of **SECTION II – WHO IS AN INSURED:**

- (1) "Bodily injury" or "personal injury":

F. AMENDMENT OF LIMITS OF INSURANCE

The following replaces Paragraph **4.** of **SECTION III – LIMITS OF INSURANCE:**

Subject to **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 injury" and "advertising injury" sustained by any one person or organization.

G. ADDITIONAL DEFINITIONS

The following is added to the **DEFINITIONS** Section:

"Advertising injury":

- a.** Means injury, other than "personal injury", caused by one or more of the following offenses:

- (1) Oral or written publication, including publication by electronic means, of material in your "advertisement" that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged;
- (2) Oral or written publication, including publication by electronic means, of material in your "advertisement" that:
 - (a) Appropriates a person's name, voice, photograph or likeness; or
 - (b) Unreasonably places a person in a false light; or
- (3) Infringement of copyright, "title" or "slogan" in your "advertisement", provided that the claim is made or the "suit" is brought by a person or organization that claims ownership of such copyright, "title" or "slogan".

- b.** Includes "bodily injury" caused by one or more of the offenses described in Paragraph **a.** above.

"Broadcasting" means transmitting any audio or visual material for any purpose:

- a.** By radio or television; or
- b.** In, by or with any other electronic means of communication, such as the Internet, if that material is part of:
 - (1) Radio or television programming being transmitted;
 - (2) Other entertainment, educational, instructional, music or news programming being transmitted; or
 - (3) Advertising transmitted with any of such programming.

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"Personal injury":

a. Means injury, other than "advertising injury", caused by one or more of the following offenses:

- (1)** False arrest, detention or imprisonment;
- (2)** Malicious prosecution;
- (3)** 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, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is committed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;
- (4)** Oral or written publication, including publication by electronic means, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its

goods, products or services disparaged; or

(5) Oral or written publication, including publication by electronic means, of material that:

- (a)** Appropriates a person's name, voice, photograph or likeness; or
- (b)** Unreasonably places a person in a false light.

b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph **a.** above.

"Slogan":

a. Means a phrase that others use for the purpose of attracting attention in their advertising.

b. Does not include a phrase used as, or in, the name of:

- (1)** Any person or organization, other than you; or
- (2)** Any business, or any of the premises, goods, products, services or work, of any person or organization, other than you.

"Title" means a name of a literary or artistic work.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OTHER INSURANCE – ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV), Paragraph 4. (**Other Insurance**), is amended as follows:

1. The following is added to Paragraph **a. Primary Insurance**:

However, if you specifically agree in a written contract or written agreement that the insurance provided to an additional insured under this Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such additional insured which covers such additional insured as a named insured, and we will not share with that other insurance, provided that:

- a. The "bodily injury" or "property damage" for which coverage is sought occurs; and

- b. The "personal injury" or "advertising injury" for which coverage is sought arises out of an offense committed

subsequent to the signing and execution of that contract or agreement by you.

2. The first Subparagraph **(2)** of Paragraph **b. Excess Insurance** regarding any other primary insurance available to you is deleted.
3. The following is added to Paragraph **b. Excess Insurance**, as an additional subparagraph under Subparagraph **(1)**:

That is available to the insured when the insured is added as an additional insured under any other policy, including any umbrella or excess policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDMENT – NON CUMULATION OF EACH
OCCURRENCE LIMIT OF LIABILITY and
NON CUMULATION OF PERSONAL and ADVERTISING
INJURY LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- 1. Paragraph 5 of SECTION III – LIMITS OF INSURANCE, is amended to include the following:**

Non cumulation of Each Occurrence Limit – If one "occurrence" causes "bodily injury" and/or "property damage" during the policy period and during the policy period of one or more prior and/or future policies that include a commercial general liability coverage part for the insured issued by us or any affiliated insurance company, the amount we will pay is limited. This policy's Each Occurrence Limit will be reduced by the amount of each payment made by us and any affiliated insurance company under the other policies because of such "occurrence".
- 2. Paragraph 4 of SECTION III – LIMITS OF INSURANCE, is amended to include the following:**

Non cumulation of Personal and Advertising Limit – If "personal injury" and/or "advertising injury" is sustained by any one person or organization during the policy period and during the policy period of one or more prior and/or future policies that include a commercial general liability coverage part for the insured issued by us or any affiliated insurance company, the amount we will pay is limited. This policy's Personal Injury and Advertising Injury Limit will be reduced by the amount of each payment made by us and any affiliated insurance company under the other policies because of such "personal injury" and/or "advertising injury".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED (CONTRACTORS OPERATIONS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. WHO IS AN INSURED – (Section II) is amended to include any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:
 - a) Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
 - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
 - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III – Limits Of Insurance.
 - b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
 - i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
 - ii. Supervisory, inspection, architectural or engineering activities.
3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if the "written contract requiring insurance" specifically requires that this insurance apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under such "other insurance".
4. As a condition of coverage provided to the additional insured by this endorsement:
 - a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
 - i. How, when and where the "occurrence" or offense took place;
 - ii. The names and addresses of any injured persons and witnesses; and
 - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
5. The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard".

COMMERCIAL GENERAL LIABILITY

b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:

- i.** Immediately record the specifics of the claim or "suit" and the date received; and
- ii.** Notify us as soon as practicable.

The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.

d) The additional insured must tender the defense and indemnity of any claim or "suit" to any provider of "other insurance" which would cover the additional insured for a loss we cover under this endorsement. However, this condition does not affect whether the insur-

ance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in paragraph 3. above.

5. The following definition is added to SECTION V. – DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a.** After the signing and execution of the contract or agreement by you;
- b.** While that part of the contract or agreement is in effect; and
- c.** Before the end of the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDMENT OF COVERAGE – POLLUTION – COOLING,
DEHUMIDIFYING AND WATER HEATING EQUIPMENT
EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

The following replaces Paragraph **(1)(a)(i)** of Exclusion **f., Pollution**, in Paragraph **2.** of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

- (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;

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

XTEND ENDORSEMENT FOR COMMERCIAL INDUSTRIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|--|--|
| <ul style="list-style-type: none"> A. Broadened Named Insured B. Blanket Additional Insured – Broad Form Vendors C. Damage To Premises Rented To You <ul style="list-style-type: none"> • Perils of fire, explosion, lightning, smoke, water • Limit increased to \$300,000 D. Blanket Waiver Of Subrogation E. Blanket Additional Insured – Owners, Managers Or Lessors Of Premises F. Blanket Additional Insured – Lessors Of Leased Equipment G. Incidental Medical Malpractice H. Personal Injury – Assumed By Contract I. Amended Bodily Injury Definition | <ul style="list-style-type: none"> J. Bodily Injury To Co-Employees And Co-Volunteer Workers K. Aircraft Chartered With Crew L. Non-Owned Watercraft – Increased From 25 Feet To 50 Feet M. Increased Supplementary Payments <ul style="list-style-type: none"> • Cost of bail bonds increased to \$2,500 • Loss of earnings increased to \$500 per day N. Medical Payments - Increased Limit O. Knowledge And Notice Of Occurrence Or Offense P. Unintentional Omission Q. Reasonable Force – Bodily Injury Or Property Damage |
|--|--|

PROVISIONS

A. BROADENED NAMED INSURED

1. The following is added to **SECTION II – WHO IS AN INSURED**:

Any organization, other than a partnership or joint venture, over which you maintain ownership or majority interest on the effective date of the policy qualifies as a Named Insured. However, coverage for any such organization will cease as of the date during the policy period that you no longer maintain ownership of, or majority interest in, such organization.

2. The following replaces Paragraph **4.a.** of **SECTION II – WHO IS AN INSURED**:

- 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, unless reported in writing to us within 180 days.

B. BLANKET ADDITIONAL INSURED – BROAD FORM VENDORS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a vendor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for “bodily injury” or “property damage” that:

- a. Is caused by an “occurrence” that takes place after you have signed and executed that contract or agreement; and
- b. Arises out of “your products” which are distributed or sold in the regular course of such vendor's business.

The insurance provided to such vendor is subject to the following provisions:

COMMERCIAL GENERAL LIABILITY

- a. The limits of insurance provided to such vendor will be the limits which you agreed to provide in the written contract or agreement, or the limits shown in the Declarations of this Coverage Part, whichever are less.
- b. The insurance provided to such vendor does not apply to:
 - (1) "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;
 - (2) Any express warranty unauthorized by you;
 - (3) Any physical or chemical change in "your products" made intentionally by such vendor;
 - (4) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (5) Any failure to make such inspections, adjustments, tests or servicing as vendors agree to perform or normally undertake to perform in the regular course of business, in connection with the distribution or sale of "your products";
 - (6) Demonstration, installation, servicing or repair operations, except such operations performed at such vendor's premises in connection with the sale of "your products"; or
 - (7) "Your 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 such vendor.

Coverage under this provision does not apply to:

- a. Any person or organization from whom you have acquired "your products", or any ingredient, part or container entering into, accompanying or containing such products; or
- b. Any vendor for which coverage as an additional insured specifically is scheduled by endorsement.

C. DAMAGE TO PREMISES RENTED TO YOU

- 1. The following replaces the last paragraph of Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY IN-**

JURY AND PROPERTY DAMAGE LIABILITY:

Exclusions c. through n. do not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- a. Fire;
- b. Explosion;
- c. Lightning;
- d. Smoke resulting from such fire, explosion, or lightning; or
- e. Water.

A separate limit of insurance applies to such damage to premises as described in Paragraph 6. of Section III – Limits Of Insurance.

This insurance does not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- a. Rupture, bursting, or operation of pressure relief devices;
- b. Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water;
- c. Explosion of steam boilers, steam pipes, steam engines, or steam turbines.

2. The following replaces Paragraph 6. of **SECTION III – LIMITS OF INSURANCE:**

Subject to 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, caused by fire; explosion; lightning smoke resulting from such fire, explosion, or lightning; or water. The Damage To Premises Rented To You Limit will apply to all damage proximately caused by the same "occurrence", whether such damage results from fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; water; or any combination of any of these.

The Damage To Premises Rented To You Limit will be the higher of:

- a. \$300,000; or
- b. The amount shown on the Declarations of this Coverage Part for Damage To Premises Rented To You Limit.

3. The following replaces Paragraph **a.** of the definition of “insured contract” in the **DEFINITIONS** Section:

- 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 to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

- (1) Fire;
- (2) Explosion;
- (3) Lightning;
- (4) Smoke resulting from such fire, explosion, or lightning; or
- (5) Water.

is not an “insured contract”;

4. The following replaces Paragraph **4.b.(1)(b)** of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

- (b)** That is insurance for premises rented to you, or temporarily occupied by you with the permission of the owner;

D. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph **8., Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of premises owned or occupied by or rented or loaned to you; ongoing operations performed by you or on your behalf, done under a contract with that person or organization; “your work”; or “your products”. We waive this right where you have agreed to do so as part of a written contract, executed by you prior to loss.

E. BLANKET ADDITIONAL INSURED – OWNERS, MANAGERS OR LESSORS OF PREMISES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a premises owner, manager or lessor and that you have agreed in a written contract or agreement to name as an additional insured on this Coverage Part is an insured, but only with respect to liability for “bodily injury”, “property damage”, “personal injury” or “advertising injury” that:

- a.** Is “bodily injury” or “property damage” caused by an “occurrence” that takes place, or “personal injury” or “advertising injury” caused by an offense that is committed, after you have signed and executed that contract or agreement; and
- b.** Arises out of the ownership, maintenance or use of that part of any premises leased to you.

The insurance provided to such premises owner, manager or lessor is subject to the following provisions:

- a.** The limits of insurance provided to such premises owner, manager or lessor will be the limits which you agreed to provide in the written contract or agreement, or the limits shown on the Declarations of this Coverage Part, whichever are less.
- b.** The insurance provided to such premises owner, manager or lessor does not apply to:
 - (1)** “Bodily injury” or “property damage” caused by an “occurrence” that takes place, or “personal injury” or “advertising injury” caused by an offense that is committed, after you cease to be a tenant in that premises; or
 - (2)** Structural alterations, new construction or demolition operations performed by or on behalf of such premises owner, manager or lessor.
- c.** The insurance provided to such premises owner, manager or lessor is excess over any valid and collectible other insurance available to such premises owner, manager or lessor, unless you have agreed in a written contract for this insurance to apply on a primary or contributory basis.

F. BLANKET ADDITIONAL INSURED – LESSORS OF LEASED EQUIPMENT

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is an equipment lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for “bodily injury”, “property damage”, “personal injury” or “advertising injury” that:

- a.** Is “bodily injury” or “property damage” caused by an “occurrence” that takes place, or “personal injury” or “advertising injury” caused by an offense that is committed, after you have

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signed and executed that contract or agreement; and

- b. Is caused, in whole or in part, by your acts or omissions in the maintenance, operation or use by you of equipment leased to you by such equipment lessor.

The insurance provided to such equipment lessor is subject to the following provisions:

- a. The limits of insurance provided to such equipment lessor will be the limits which you agreed to provide in the written contract or agreement, or the limits shown on the Declarations of this Coverage Part, whichever are less.
- b. The insurance provided to such equipment lessor does not apply to any "bodily injury" or "property damage" caused by an "occurrence" that takes place, or "personal injury" or "advertising injury" caused by an offense that is committed, after the equipment lease expires.
- c. The insurance provided to such equipment lessor is excess over any valid and collectible other insurance available to such equipment lessor, unless you have agreed in a written contract for this insurance to apply on a primary or contributory basis.

G. INCIDENTAL MEDICAL MALPRACTICE

1. The following is added to the definition of "occurrence" in the **DEFINITIONS** Section:

Unless you are in the business or occupation of providing professional health care services, "occurrence" also means an act or omission committed in providing or failing to provide "incidental medical services" to a person.

2. The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

- a. Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages;
- b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances;
- c. First aid; or
- d. "Good Samaritan services".

"Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.

3. The following is added to Paragraph **2.a.(1)** of **SECTION II – WHO IS AN INSURED**:

Unless you are in the business or occupation of providing professional health care services, Paragraphs **(1)(a), (b), (c)** and **(d)** above do not apply to any "bodily injury" arising out of any providing or failing to provide "incidental medical services" by any of your "employees", other than an employed doctor. Any such "employees" providing or failing to provide "incidental medical services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

4. The following exclusion is added to Paragraph **2.**, **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Sale Of Pharmaceuticals

"Bodily injury" or "property damage" arising out of the willful violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by, or with the knowledge or consent of, the insured.

5. The following is added to Paragraph **5.** of **SECTION III – LIMITS OF INSURANCE**:

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in the providing or failing to provide "incidental medical services" to any one person will be considered one "occurrence".

6. The following is added to Paragraph **4.b.**, **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

This insurance is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" for "bodily injury" that arises out of providing or failing to provide "incidental medical services" to any person to the extent not subject to Paragraph **2.a.(1)** of **SECTION II – WHO IS AN INSURED**.

H. PERSONAL INJURY – ASSUMED BY CONTRACT

1. The following replaces Exclusion **e.**, **Contractual Liability**, in Paragraph **2.** of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

e. Contractual Liability

“Personal injury” or “advertising injury” 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:

- (1) Liability for damages that the insured would have in the absence of the contract or agreement; or
- (2) Liability for damages because of “personal injury” assumed in a contract or agreement that is an “insured contract”, provided that the “personal injury” is caused by an offense committed 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 will be deemed to be damages because of “personal injury”, provided that:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same “insured contract”; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

2. The following replaces the third sentence of Paragraph 2. of SUPPLEMENTARY PAYMENTS – COVERAGES A AND B:

Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability or Paragraph 2.e. of Section I – Coverage B – Personal and Advertising Injury Liability, such payments will not be deemed to be damages because of “bodily injury”, “property damage” or “personal injury”, and will not reduce the limits of insurance.

3. The following replaces Paragraph 2.d. of SUPPLEMENTARY PAYMENTS – COVERAGES A AND B:

d. The allegations in the “suit” and the information we know about the “occurrence” or offense are such that no conflict appears to exist between the interests of

the insured and the interests of the indemnitee;

4. The following replaces the first subparagraph of Paragraph f. of the definition of “insured contract” in the DEFINITIONS Section:

- 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,” “property damage” or “personal injury” 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.

I. AMENDED BODILY INJURY DEFINITION

The following replaces the definition of “bodily injury” in the DEFINITIONS Section:

“Bodily injury” means bodily injury, mental anguish, mental injury, shock, fright, disability, humiliation, sickness or disease sustained by a person, including death resulting from any of these at any time.

J. BODILY INJURY TO CO-EMPLOYEES AND CO-VOLUNTEER WORKERS

The following is added to Paragraph 2.a.(1) of SECTION II – WHO IS AN INSURED:

Paragraph (1)(a) above does not apply to “bodily injury” to a co-“employee” in the course of the co-“employee's” employment by you or performing duties related to the conduct of your business, or to “bodily injury” to your other “volunteer workers” while performing duties related to the conduct of your business.

K. AIRCRAFT CHARTERED WITH CREW

The following is added to Exclusion g., Aircraft, Auto Or Watercraft, in Paragraph 2. of SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

This exclusion does not apply to an aircraft that is:

- (a) Chartered with crew to any insured;
- (b) Not owned by any insured; and
- (c) Not being used to carry any person or property for a charge.

L. NON-OWNED WATERCRAFT

1. The following replaces Paragraph (2) of Exclusion g., Aircraft, Auto Or Watercraft, in Paragraph 2. of SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

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- (2) A watercraft you do not own that is:
- (a) Fifty feet long or less; and
 - (b) Not being used to carry any person or property for a charge.

2. The following is added to Paragraph 2. of **SECTION II – WHO IS AN INSURED:**

Any person or organization that, with your express or implied consent, either uses or is responsible for the use of a watercraft that you do not own that is:

- (1) Fifty feet long or less; and
- (2) Not being used to carry any person or property for a charge.

M. INCREASED SUPPLEMENTARY PAYMENTS

1. The following replaces Paragraph 1.b. of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES:**

- 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.

2. The following replaces Paragraph 1.d. of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES:**

- 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 \$500 a day because of time off from work.

N. MEDICAL PAYMENTS – INCREASED LIMIT

The following replaces Paragraph 7. of **SECTION III – LIMITS OF INSURANCE:**

7. Subject to 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, and will be the higher of:

- (a) \$10,000; or
- (b) The amount shown on the Declarations of this Coverage Part for Medical Expense Limit.

O. KNOWLEDGE AND NOTICE OF OCCURRENCE OR OFFENSE

The following is added to Paragraph 2., **Duties In The Event of Occurrence, Offense, Claim or Suit**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

e. The following provisions apply to Paragraph a. above, but only for the purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II – Who Is An Insured:

- (1) Notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your trustees who is an individual (if you are a trust), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture, limited liability company or trust) or any "employee" authorized by you to give notice of an "occurrence" or offense.

- (2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:

(a) Any individual who is:

- (i) A partner or member of any partnership or joint venture;
- (ii) A manager of any limited liability company;
- (iii) A trustee of any trust; or
- (iv) An executive officer or director of any other organization;

that is your partner, joint venture member, manager or trustee; or

- (b) Any "employee" authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an "occurrence" or offense.

- (3) Notice to us of such "occurrence" or offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraphs e.(1) or (2) above discov-

ers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this policy includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.

P. UNINTENTIONAL OMISSION

The following is added to Paragraph 6., **Representations**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice

your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

Q. REASONABLE FORCE – BODILY INJURY OR PROPERTY DAMAGE

The following replaces Exclusion a., **Expected Or Intended Injury**, in Paragraph 2. of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

a. Expected or Intended Injury or Damage

"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 any person or property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF COVERAGE – PROPERTY DAMAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

PROVISIONS

The definition of "property damage" in **SECTION V – DEFINITIONS** is deleted in its entirety and replaced by the following:

"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.

"Property damage" does not include loss of or damage to "electronic media and records".

As used in this definition, "electronic media and records" means:

- a. Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;
- b. Data stored on such media; or
- c. Programming records for electronic data processing or electronically controlled equipment.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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 or discrimination 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 insured may be liable as an employer or in any other capacity; and
 - (2)** To any obligation to share damages with or repay someone else who must pay damages because of 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 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 or discrimination directed at that person; or
 - (2)** The spouse, child, parent, brother or sister of that person as a consequence of "personal 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 insured may be liable as an employer or in any other capacity; and
 - (2)** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – UNSOLICITED COMMUNICATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

1. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Unsolicited Communication

"Bodily injury" or "property damage" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

2. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES –**

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY:

Unsolicited Communication

"Personal injury" or "advertising injury" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

3. The following is added to the **DEFINITIONS** Section:

"Unsolicited communication" means any communication, in any form, that the recipient of such communication did not specifically request to receive.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**MOBILE EQUIPMENT REDEFINED –
EXCLUSION OF VEHICLES SUBJECT TO MOTOR
VEHICLE LAWS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

1. The following replaces Paragraph **(5)** of Exclusion **g.**, **Aircraft, Auto Or Watercraft**, in Paragraph **2.** of **SECTION I – COVERAGES – COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:
 - (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 as "mobile equipment" under the definition of "mobile equipment" if such land vehicle 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".
2. The following replaces the definition of "auto" in the **DEFINITIONS** Section:
 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. The following is added as to the definition of "mobile equipment" in the **DEFINITIONS** Section:

However, "mobile equipment" does not include any 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. Such land vehicles are considered "autos".
 4. Paragraph **3.** of **SECTION II – WHO IS AN INSURED** is deleted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDMENT OF CONTRACTUAL LIABILITY EXCLUSION
– EXCEPTION FOR DAMAGES ASSUMED IN AN INSURED
CONTRACT APPLIES ONLY TO NAMED INSURED**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

1. The following replaces Paragraph **(2)** of Exclusion **b.**, **Contractual Liability**, in Paragraph **2.** of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:
 - (2)** Assumed by you in a contract or agreement that is an "insured contract", provided that the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "bodily injury" or "property damage", provided that:
 - (a)** Liability to such party for, or for the cost of, that party's defense has also been assumed by you in the same "insured contract"; and
 - (b)** Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.
2. The following replaces the beginning of Paragraph **2.**, and Paragraphs **2.a.**, **b.**, **c.**, **d.** and **e.**, of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES**:
 2. If we defend you against a "suit" and your indemnitee is also named as a party to the "suit", we will have the right and duty to defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which you have 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 you;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by you in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that we determine that no conflict exists between your interests and the interests of the indemnitee;
 - e. You and the indemnitee 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 you and the indemnitee; and
3. The following replaces the last sentence of Paragraph **2.** of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES**:

Our obligation to defend your indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

 - a. We have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses; or
 - b. The conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – VIOLATION OF CONSUMER FINANCIAL PROTECTION LAWS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

1. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Violation Of Consumer Financial Protection Laws

"Bodily injury" or "property damage" arising out of any actual or alleged violation of a "consumer financial protection law", or any other "bodily injury" or "property damage" alleged in any claim or "suit" that also alleges any such violation.

2. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

Violation Of Consumer Financial Protection Laws

"Personal injury" or "advertising injury" arising out of any actual or alleged violation of a "consumer financial protection law", or any other "personal injury" or "advertising injury" alleged in any claim or "suit" that also alleges any such violation.

3. The following is added to the **DEFINITIONS** Section:

"Consumer financial identity information" means any of the following information for a person that is used or collected for the purpose of serving as a factor in establishing such person's eligibility for personal credit, insurance or employment, or for the purpose of conducting a business transaction:

- a. Part or all of the account number, the expiration date or the balance of any credit, debit, bank or other financial account.
- b. Information bearing on a person's credit worthiness, credit standing or credit capacity.
- c. Social security number.
- d. Drivers license number.
- e. Birth date.

"Consumer financial protection law" means:

- a. The Fair Credit Reporting Act (FCRA) and any of its amendments, including the Fair and Accurate Credit Transactions Act (FACTA);
- b. California's Song-Beverly Credit Card Act and any of its amendments; or
- c. Any other law or regulation that restricts or prohibits the collection, dissemination, transmission, distribution or use of "consumer financial identity information".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – FAILURE TO SUPPLY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Failure To Supply

"Bodily injury" or "property damage" arising out of the failure of any insured to adequately supply gas, oil, water, electricity, steam or biofuel.

This exclusion does not apply if the failure to supply results from the sudden and accidental injury to tangible property owned or used by any insured to procure, produce, process or transmit the gas, oil, water, electricity, steam or biofuel.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Access Or Disclosure Of Confidential Or Personal Information

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION--INTERCOMPANY PRODUCTS SUITS

This endorsement modifies insurance provided under the following:

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

This insurance does not apply to any claim for damages by any Named Insured against another Named Insured because of "bodily injury" or "property damage" arising out of "your products" and included within the "products-completed operations hazard."

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

MODIFIED POLLUTION EXCLUSION – MANAGED PROPERTIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

Paragraph **(1)(a)** of Exclusion f. of Paragraph 2., **Exclusions** of Section I – **Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

- (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, or managed by, any insured. However, this paragraph does not apply to:
 - (i)** “Bodily injury” if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;
 - (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”;

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION—DISCRIMINATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

- 1. COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** – is amended by adding the following additional exclusion:

(This Insurance does not apply to:)

“Bodily injury” resulting from or as a consequence of discrimination, whether intentional or unintentional, based upon a person's sex, sexual preference, marital status, race, creed, religion, national origin, age, physical capabilities, characteristics or condition, or mental capabilities or condition.
- 2. COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY** – is amended by adding the following additional exclusion:

(This insurance does not apply to:)

“Personal injury” resulting from or as a consequence of discrimination, whether intentional or unintentional, based upon a person's sex, sexual preference, marital status, race, creed, religion, national origin, age, physical capabilities, characteristics or condition, or mental capabilities or condition.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – SILICA

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

This insurance does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of or in any way related to the actual, alleged or threatened discharge, dispersal, emission, release, escape, handling, contact with, exposure to or inhalation or respiration of silica or products or substances containing silica. This includes, but is not limited to:

- a. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with the above; and
- b. Any obligation to share damages with or repay someone else who must pay damages because of such injury or damage.

This exclusion applies to all such "bodily injury" or "property damage" whether or not the "bodily injury" or "property damage" is included in the "products-completed operations hazard".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – WAR

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion i. under Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:
- 2. Exclusions:**
This insurance does not apply to:
- i. War**
"Bodily injury" or "property damage" arising, directly or indirectly, out of:
- (1)** War, including undeclared or civil war; or
 - (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
- regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage.
- 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:
- War**
"Personal injury" or "advertising injury" arising, directly or indirectly, out of:
- (1)** War, including undeclared or civil war; or
 - (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
- regardless of any other cause or event that contributes concurrently or in any sequence to the injury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – AIRCRAFT PRODUCTS AND GROUNDING

This endorsement modifies insurance provided under the following:

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

PROVISIONS

1. The following exclusion is added to Paragraph 2., **Exclusions**, of either **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **SECTION I – COVERAGES – PRODUCTS/COMPLETED OPERATIONS BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, whichever section is included in the Coverage Part:

Aircraft Products And Grounding

"Bodily injury" or "property damage" included within the "products-completed operations hazard" and arising out of any "aircraft product" or the "grounding" of any aircraft.

2. The following is added to the **DEFINITIONS** Section:

"Aircraft product" means:

- a. Aircraft, including missile or spacecraft, and any ground support or control equipment used with any aircraft, missile or spacecraft;
- b. Any of "your products" manufactured for, used in connection with, or incorporated into aircraft, aircraft parts, aircraft equipment or aircraft accessories, including ground handling tools and equipment;

- c. Any of "your products" used for the purpose of guidance, navigation or direction of aircraft, whether an aircraft is in flight or on the ground; or
- d. Training aids, navigation charts, navigation aids, manuals, blueprints, engineering or other data or advice, services and labor relating to such aircraft or products.

"Grounding" means the withdrawal of one or more aircraft from flight operations or the imposition of speed, passenger or load restrictions on such aircraft, by reason of the actual, alleged or suspected existence of any defect, fault or condition in such aircraft or any part thereof:

- a. Sold, handled or distributed by the insured; or
- b. Manufactured, assembled or processed by any other person or organization:
 - (1) According to specifications, plans, suggestions, orders or drawings of the insured; or
 - (2) With tools, machinery or other equipment furnished to such persons or organizations by the insured;

whether such aircraft so withdrawn or restricted are owned or operated by the same or different persons or organizations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ASBESTOS

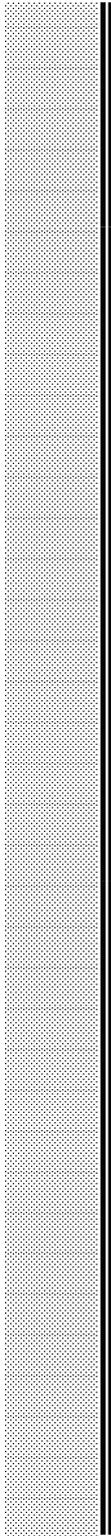
This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
CATASTROPHE UMBRELLA POLICY

This insurance does not apply to "bodily injury," "property damage," "personal injury" or "advertising injury" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the injury or damage is caused or contributed to by the hazardous properties of asbestos. This includes:

- a. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with the above; and
- b. Any obligation to share damages with or repay someone else who must pay damages because of such injury or damage.

COMMERCIAL INLAND MARINE



COMMERCIAL INLAND MARINE



One Tower Square, Hartford, Connecticut 06183

COMMERCIAL INLAND MARINE
COVERAGE PART DECLARATIONS

POLICY NO. P-630-0696L335-TCT-15
ISSUE DATE: 07-30-15

INSURING COMPANY:

THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT

DECLARATIONS PERIOD: From 08-01-15 to 08-01-16 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

1. COVERAGE, LIMITS OF INSURANCE AND DEDUCTIBLE:

**CELLULAR TELECOMMUNICATIONS
EQUIPMENT AND MEDIA COVERAGE FORM**

A. Cellular Telecommunications Towers:

Loc. No.	Tower No.	Description	Limit of Insurance
001	001	250 FOOT COMMUNICATION TOWER THAT IS FENCED IN AND RELATED EQUIPMENT SHEDS AT THE BASE OF THE TOWER.	\$525,000 \$ \$ \$ \$ \$

B. Transmitting, Receiving and Switching Equipment:

Loc. No.	Bldg. No.	Limit of Insurance
		\$ \$ \$

C. Data and Media:

Loc. No.	Bldg. No.	Limit of Insurance
		\$ \$ \$

D. Improvements and Betterments:

Loc. No.	Bldg. No.	Limit of Insurance
		\$ \$ \$

E. Buildings as Covered by This Form:

Loc. No.	Bldg. No.	Limit of Insurance
		\$ \$ \$

NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

**COMMERCIAL INLAND MARINE
COVERAGE PART DECLARATIONS**

**CELLULAR TELECOMMUNICATIONS
EQUIPMENT AND MEDIA COVERAGE FORM (Cont'd)**

F. Mobile or Portable Telecommunications Equipment:

Item No.	Description	Limit of Insurance
		\$
		\$
		\$
		\$
		\$

G. Tools, Spare/Replacement Parts, & Test Equipment	Limit of Insurance
	\$

H. Other Property:

Item No.	Description	Limit of Insurance
		\$
		\$
		\$
		\$
		\$

I. Tower Collapse

Loc. No.	Bldg. No.	Limit of Insurance
		\$
		\$

J. Valuation:
Actual Cash Value Applies at all Locations Except as Indicated Below.

Replacement Cost at Locations No.:

K. Deductible: \$ 5,000
Exception: \$ (SEE CM T8 00)



One Tower Square, Hartford, Connecticut 06183

**COMMERCIAL INLAND MARINE
COVERAGE PART DECLARATIONS**

**POLICY NUMBER: P-630-0696L335-TCT-15
ISSUE DATE: 07-30-15**

INSURING COMPANY:

THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT

Declarations Period: From 08-01-15 to 08-01-16 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

I. COVERED PROPERTY AND LIMITS OF INSURANCE

IM PAK COVERAGE

"CONTRACTORS EQUIPMENT"

COVERED ITEMS	LIMITS OF INSURANCE
Listed Items (See Schedule):	\$ 15,000
Unlisted Items:	No Coverage
Leased or Rented Items:	No Coverage
COVERAGE EXTENSIONS	
Newly Acquired "Contractors Equipment":	\$ 100,000
"Replacement Items"	
Rental Cost:	\$ 5,000 per item
Loss to any one "Replacement Item":	\$ 100,000 per item
"Maximum Amount of Payment":	\$ 15,000
"Flood Limit of Insurance":	No Coverage
"Flood Annual Aggregate Limit of Insurance":	Not Applicable
"Earth Movement Limit of Insurance":	No Coverage
"Earth Movement Annual Aggregate Limit of Insurance":	Not Applicable

II. DEDUCTIBLE

"CONTRACTORS EQUIPMENT"	
"Basic Deductible":	\$ 1,000
"Windstorm Deductible":	\$ 1,000

III. PREMIUM SUMMARY

The policy premium includes the premiums shown below. Deposit Premiums are subject to adjustment as specified in the Reporting Provisions.

	REPORTING PROVISIONS	Premium
"CONTRACTORS EQUIPMENT"	Not Applicable	\$ 357
	PREMIUM:	\$ 357

NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

POLICY NUMBER: P-630-0696L335-TCT-15

COMMERCIAL INLAND MARINE
ISSUE DATE: 07-30-15

IM PAK[®] COVERAGE SUMMARY

This Coverage Part covers the following:

"Contractors Equipment"

This Coverage Part Includes the following coverage form:

IM PAK[®] COVERAGE FORM

IZ 004 06 0462 0654

This Coverage Part includes the following modifiers:

0462	Exception to IL T3 55 Date-Related Loss Excl
0654	Programming Errors F



One Tower Square, Hartford, Connecticut 06183

IM PAK[®] COVERAGE
"CONTRACTORS EQUIPMENT"
SCHEDULE

POLICY NUMBER: P-630-0696L335-TCT-15
ISSUE DATE: 07-30-15

ITEM	DESCRIPTION OF ITEMS	LIMIT OF INSURANCE
001	FORD TRACTOR 4450 W/LOADER	\$ 5,000
002	CASE TRACTOR 580K W/LOADER	10,000

TOTAL LIMIT OF INSURANCE FOR ALL LISTED ITEMS \$ 15,000

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COMMERCIAL INLAND MARINE COVERAGE PART

The following indicates the contents of the principal forms which may be attached to your policy.

It contains no reference to the Declarations or Endorsements which also may be attached.

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COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

LOSS CONDITIONS

A. Abandonment

There can be no abandonment of any property to us.

B. 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:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

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

C. Duties In The Event Of Loss

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. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
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. 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.
8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.

D. 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.

E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.
3. 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 claim against us for the owners' property. We will not pay the owners more than

COMMERCIAL INLAND MARINE

their financial interest in the Covered Property.

4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

F. 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.

G. Pair, Sets Or Parts

1. Pair Or Set

In case of loss or damage to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

2. Parts

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. 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.

I. Reinstatement Of Limit After Loss

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

J. 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.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance; or
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you.

This will not restrict your insurance.

GENERAL CONDITIONS

A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, 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. 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 the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

D. No Benefit To Bailee

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

E. Policy Period, Coverage Territory

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

F. Valuation

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before loss or damage; or
3. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

CELLULAR TELECOMMUNICATIONS EQUIPMENT AND MEDIA 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

We will pay for direct physical "loss" to Covered Property from any of the Covered Causes of Loss.

1. COVERED PROPERTY

Covered Property, as used in this Coverage Form means the following types property at a location shown in the Declarations and for which a Limit of Insurance is shown:

- a. Telecommunications towers used for broadcasting or receiving, including above and below ground foundations, antennae, dishes, deicing equipment, guy-wiring, and other permanent attachments and connections;
- b. Transmitting, receiving, and switching equipment;
- c. Data stored on discs, films, tapes or similar electronic data processing media, the media itself, computer programs and instructions necessary to your operations;
- d. Improvements and betterments made at your expense to buildings you rent or lease but do not own;
- e. Buildings, at tower locations shown in the Declarations, used exclusively for the containment of transmitting, receiving, switching or similar equipment;
- f. Mobile or portable equipment, while at or away from a location shown in the Declarations;
- g. Tools, spare or replacement parts and test equipment used to service or repair Covered Property; and
- h. Other property that is specifically described in the Declarations.

2. PROPERTY NOT COVERED

Covered Property does not include:

- a. Accounts, bills, money, securities, deeds, notes, letters of credit, evidence of debt, gold, silver or any precious metals or alloys;
- b. Aircraft, watercraft, satellites, vehicles licensed and designed principally for highway use; or
- c. Animals, trees, shrubs, plants, land or water;

3. COVERED CAUSES OF LOSS

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property, except those causes of "loss" listed in B. EXCLUSIONS.

4. ADDITIONAL COVERAGES

a. Debris Removal

We will pay your expense to remove debris of Covered Property from any location shown in the Declarations caused by or resulting 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 the direct physical "loss."

Payment for Debris Removal is included within the applicable Limit of Insurance shown in the Declarations for the location where the "loss" occurs. The most we will pay under this Additional Coverage is 25% of:

- (1) The amount we pay for the direct physical "loss"; plus
- (2) The Deductible in this policy applicable to that "loss."

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When the debris removal expense exceeds the 25% limitation above, or the sum of the direct physical "loss" and the expense for the removal of its debris exceed the applicable Limit of Insurance, we will then pay an additional \$10,000 of debris removal expense in any one occurrence.

This Additional Coverage does not apply to any costs to extract "pollutants" from land or water, or costs to remove, restore or replace polluted land or water.

b. Pollutant Cleanup and Removal

We will pay your expense to extract "pollutants" from land or water at any location shown in the Declarations if the release, discharge or dispersal of the "pollutants" is caused by or results from a Covered Cause of Loss which occurs to Covered Property:

- (1) At the described location; and
- (2) During the policy period.

The expense will be paid only if reported to us in writing within 180 days of the date of the direct physical "loss."

The most we will pay for each described location under this Additional Coverage is \$10,000 for the sum of all such expenses occurring during any one policy year commencing with inception. This amount is in addition to the Limits of Insurance.

c. Valuable Papers and Records – Other Than Accounts Receivable

We will pay your expense to research, replace or restore valuable papers and written records (other than accounts receivable), that are lost or damaged by a Covered Cause of Loss. We will pay for the cost of the blank materials and the cost of reproduction.

The most we will pay under this Additional Coverage is \$10,000 in any one occurrence. This amount is in addition to the Limits of Insurance.

d. 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 \$2,500 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to "loss"; or
- (2) Required by local ordinance.

The amount payable under this Additional Coverage is in addition to the Limits of Insurance, and no deductible will be applied.

e. Fire Protective Equipment Recharge

We will pay your expense to replace any substance discharged from an automatic fire protection system that protects Covered Property caused by or resulting from a Covered Cause of Loss. The most we will pay in any one occurrence is \$2,500. The amount payable under this Additional Coverage is in addition to the Limits of Insurance.

f. Newly Acquired or Constructed Property

If during the policy period you acquire or construct property of the type covered by this Coverage Form, we will cover that property for up to \$100,000 at any location shown in the Declarations or at any new location you acquire by purchase or by lease. The amount payable under this Additional Coverage is in addition to the Limits of Insurance.

Insurance under this Additional Coverage for each newly acquired or constructed property will end when any of the following first occurs:

- (1) This policy expires;
- (2) 90 days after you acquire or begin to construct the property;
- (3) You report the values to us; or
- (4) The property is more specifically insured.

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

g. Tower Collapse

If a Limit of Insurance is shown in the Declarations for Tower Collapse, we will pay for direct physical "loss" to the buildings shown, that are not covered elsewhere in this form, and are;

- (1) Owned by you; or
- (2) Rented, leased, or regularly occupied by you and which you are legally obligated to insure;

caused by the collapse of any tower or antenna covered by this Coverage Form.

The collapse must be caused by a Covered Cause of Loss other than fire, lightning, windstorm, hail, explosion, aircraft, vehicles, riot, civil commotion, vandalism or malicious mischief.

The most we will pay for "loss" in any one occurrence is the Limit of Insurance shown in the Declarations as applicable to that building.

5. COVERAGE EXTENSIONS

a. Tuning of Towers

You may extend the insurance provided by this Coverage Form to the expenses you incur in retuning (including replumbing) covered towers that are damaged as a result of direct physical "loss" from a Covered Cause of Loss.

The most we will pay for "loss" under this Coverage Extension is \$5,000 in any one occurrence.

The amount payable under this extension is included within the Limits of Insurance shown in the Declarations applicable to the tower where the "loss" occurs.

b. Preservation of Property

If it is necessary to move Covered Property from any location shown in the Declarations to preserve it from "loss" from a Covered Cause of Loss, we will pay for any direct physical "loss" to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the "loss" occurs within 30 days after the property is first moved.

The amount payable under this Coverage Extension is included within the Limits of Insurance shown in the Declarations applicable to that type of proper-

ty at the location from which the property is first moved.

c. Property at a Temporary Location

We will pay up to \$50,000 for "loss" to Covered Property while temporarily at a location you do not own, lease or regularly occupy, but use for business purposes other than storage. We will cover the property at that location for a period not to exceed 30 days.

The amount payable under this Coverage Extension is included within the Limits of Insurance.

B. EXCLUSIONS

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

a. Earth Movement

- (1) Any earth movement such as an earthquake, mine subsidence, landslide or earth sinking, rising or shifting. But if "loss" by fire or explosion results, we will pay for that resulting "loss."
- (2) Volcanic eruption, explosion or effusion. But if "loss" by fire or "volcanic action" results, we will pay for that resulting "loss."

This exclusion does not apply to property in transit.

b. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread.

c. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused. But if "loss" by fire results, we will pay for that resulting "loss."

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d. 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.

e. Water

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that seeps, leaks or flows below the surface of the ground;
- (4) Any release of water impounded by a dam; or
- (5) Water that backs up from a sewer or drain

But if direct "loss" by fire, explosion or theft results, we will pay for that resulting "loss."

This exclusion does not apply to property in transit.

f. Ordinance or Law

The enforcement of 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.

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

- a. Delay, loss of market, loss of use, loss of income or any other consequential "loss" including the suspension, lapse, cancellation or refusal of any licence, lease or contract;

- b. Unexplained "loss" or any "loss" or shortage found upon taking inventory or audit;

- c. Dishonest or criminal acts by you, anyone else with an interest in the property, your or their employees or authorized representatives or anyone entrusted with the property, whether or not acting alone or in collusion with other persons or occurring during the hours of employment. But this exclusion does not apply to a carrier for hire;

- d. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration, depreciation, insects, vermin, rodents, mechanical breakdown or failure;

- e. Unauthorized instructions to transfer property or service(s) to any person or to any place;

- f. Any changes or alterations to any tower, antennae, dish or appurtenant devices during the policy period which may result in exceeding the design load of the property. This does not apply to temporary alterations or changes provided they are necessary and incidental to necessary repairs;

- g. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense;

- h. Corrosion, rust, dampness, dryness, cold or heat;

But we will pay for "loss" that results directly from damage to the air conditioning or heating systems that service your broadcasting or receiving equipment at a location shown in the Declarations. The damage to such systems must be caused by a Covered Cause of Loss.

- i. Discharge, dispersal, seepage, migration, release or escape of "pollutants."

3. We will not pay for "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."

- a. Weather conditions. But this exclusion applies only if weather conditions contribute in any way with a cause or event excluded in B.1 above to produce the "loss";
- 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 the repair, construction, renovation or remodeling; or
 - (4) Maintenance;
 - of part or all of any property wherever located.
- d. Failure, fluctuation or interruption of electrical power or any other utility service supplied to a described location, however caused, if the failure, fluctuation or interruption originates more than 1000 feet from:
 - (1) The building containing the Covered Property; or
 - (2) In the case of property in the open, the Covered Property itself.

C. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations. Except as provided in the Additional Coverages or Coverage Extensions

D. DEDUCTIBLE

We will not pay for "loss" in any one occurrence until the amount of the "loss," before applying the applicable Limits of Insurance, exceeds the Deductible shown in the Declarations. We will then pay the amount of the "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

E. ADDITIONAL CONDITIONS

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

1. Coverage Territory

We cover property wherever located within:

- a. The United States of America; and
- b. Canada.

2. Valuation

General Condition E. in the Commercial Inland Marine Conditions is replaced by the following:

a. Your Property (except data and media)

The value of property you own will be:

- (1) When Replacement Cost is shown in the Declarations, its replacement cost (without deduction for depreciation.)

We will not pay more for any "loss" on a replacement cost basis than the lesser of:

- (a) The amount it would cost to replace the property at the time of "loss" with new property of equal performance, capacity or function and for the same use at the same location; or
- (b) The amount you actually spend in repairing or replacing the property with new property of equal performance, capacity or function.

We will only pay for "loss" on a replacement cost basis if you repair or replace the property as soon as reasonably possible after the "loss."

If you do not repair or replace the property, we will not pay more than the actual cash value of that property.

- (2) When Actual Cash Value is shown in the Declarations, the least of the following amounts:

- (a) The actual cash value of that property;
- (b) The cost of reasonably restoring that property to its condition immediately before the "loss"; or
- (c) The cost of replacing that property with substantially identical property.

COMMERCIAL INLAND MARINE

b. Data and Media.

The value of data and media you own will be the actual cost of reproducing the data and the cost of the media.

When the data is not or cannot be reproduced, we will not pay more than the cost of blank discs, films, tapes or similar electronic data processing media of equal performance, capacity or function, and for the same use.

c. Property of Others. The value of property of others in your care, custody or control will be the lesser of:

- (1) The amount for which you are liable; or
- (2) The actual cash value of that property.

In the event of "loss," the value of property will be determined as of the time and place of "loss."

3. Coinsurance

All Covered Property, except Covered Property in transit, must be insured for at least 80% of its total value as of the time of "loss" or you will incur a penalty. The penalty is that we will pay only the proportion of any "loss" that the applicable Limit of Insurance shown in the Declarations for that property

bears to 80% of the total value of that property at the time of "loss". This penalty does not apply to:

- a. Covered Property in Transit;
- b. Any of the Coverage Extensions; or
- c. Any of the Additional Coverages.

F. DEFINITIONS

"Loss" means accidental loss or damage.

"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.

"Volcanic action" means direct "loss" resulting from the eruption of a volcano when the "loss" is caused by:

- (1) Airborne volcanic blast or airborne shock waves;
- (2) Ash, dust or particulate matter; or
- (3) Lava flow.

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" to Covered Property.

IM PAK[®] 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.

ENDORSEMENT IL T3 55 "EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES DUE TO DATES OR TIMES", IF ATTACHED TO THIS POLICY, DOES NOT APPLY TO THIS IM PAK COVERAGE PART.

A. COVERAGE

We will pay for direct physical loss of or damage to Covered Property from any of the Covered Causes of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means "Contractors Equipment".

2. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS OR DAMAGE except those causes of loss listed in the Exclusions or for which 'No Coverage' is shown as the applicable Limit of Insurance in the Declarations.

3. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

a. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension is included within and will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.

b. Fire Protective Systems

If your fire protective equipment discharges accidentally or to control a Covered Cause of Loss, we will pay for your expense to:

- (1) Recharge or refill your fire protective systems; and

- (2) Replace or repair faulty valves or controls which caused the discharge.

The most we will pay in any one loss or damage under this extension is \$75,000.

c. Valuable Papers and Records

We will pay your costs to research, replace, or restore lost or damaged valuable papers and records, including those which are on computer software, for which there are no duplicates. The most we will pay for loss of or damage to this property is \$50,000.

But we will not pay for loss of or damage to accounts, bills, deeds, evidences of debt, currency, money, notes or securities.

d. "Replacement Items"

- (1) Rental Costs: We will pay your necessary costs to rent "replacement items". Coverage will start 24 hours after you report the loss or damage to us, and will end when one of the following first occurs:

- (a) Your "Contractors Equipment" to which the loss or damage occurred is repaired or replaced;
- (b) The "replacement item" is no longer needed.

The most we will pay for your Rental Costs is the applicable Limit of Insurance shown in the Declarations.

- (2) Loss Of or Damage To "Replacement Items": We will pay for loss of or damage to "replacement items" caused by or resulting from a Covered Cause of Loss. Coverage will start when you assume liability for "replacement items", and will end when your Rental Costs coverage for your "Contractors Equipment" to which the loss or damage occurred ends. We will also pay for loss or damage while "replacement items" are in transit to or from the owner if you are liable for the item at the time of loss or damage.

The most we will pay in any one loss of or damage to "replacement items" is the applicable Limit of Insurance shown in the Declarations.

4. Additional Coverages

a. Debris Removal

- (1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 the loss or damage.
- (2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct loss of or damage to Covered Property plus the deductible in this Coverage Part applicable to that loss or damage. Any payment is included within and will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct loss or damage and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to \$75,000 in any one occurrence as an additional amount of insurance.
- (3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.

b. Fire Department Service Charge

We will pay your legal liability for Fire Department Service Charges when the fire department is called to save or protect Covered Property from a Covered Cause of Loss.

The most we will pay under this Additional Coverage is \$25,000 in any one occurrence.

No deductible applies to this Additional Coverage.

c. Pollutant Clean Up and Removal

- (1) We will pay your expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss to Covered Property 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 the loss or damage.
- (2) 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.
- (3) The most we will pay under this Additional Coverage is \$25,000 for the sum of all such expenses arising out of Covered Cause of Loss to Covered Property occurring during each separate 12 month period of this policy.

d. Inventory, Appraisals, and Loss Adjustment Expenses

We will pay the reasonable expenses you incur at our request to assist us in determination of the amount of the covered loss or damage, including the extra wages necessarily incurred by your employees for preparing inventories and other loss or damage information for completion of your proof of loss or damage.

But we will not pay for:

- (1) Expenses to prove that the loss or damage is covered;
- (2) Expenses incurred under the Appraisal section of the Commercial Inland Marine Conditions;
- (3) Expenses incurred for examinations under oath, even if required by us;
- (4) Expenses incurred for public adjusters or any legal fees.

The most we will pay for loss or damage under this Additional Coverage is \$5,000.

e. "Contractors Equipment" Expediting Expenses

We will pay your actual and reasonable costs resulting from a Covered Cause of Loss to "Contractors Equipment" to expedite repair or replacement of that Covered Property including, but not limited to, overtime, night work, work on public holidays, rapid transportation of people and/or materials, and extra costs of temporary repair.

This Additional Coverage will apply from the date of such loss or damage and for such time reasonably necessary to repair, replace, or rebuild the "Contractors Equipment".

The most we will pay under this Additional Coverage is \$2,500 in any one occurrence involving one or more items of "Contractors Equipment".

f. "Expendable Supplies"

We will pay for loss or damage by a Covered Cause of Loss to "expendable supplies" for your "Contractors Equipment".

The most we will pay in any policy period for loss or damage under this Additional Coverage is \$1,000.

g. Reward Coverage

We will reimburse you for reward(s) expense you have incurred leading to:

- (1) The successful return of undamaged stolen articles to a law enforcement agency; or
- (2) The arrest and conviction of any person(s) who have damaged or stolen any Covered Property.

We will pay 25% of the covered loss, prior to the application of any Deductible and recovery, up to a maximum of \$2,500 in any one occurrence for the reward payments you make. These reward payments must be documented. The amount payable is in addition to the Limits of Insurance shown in the Declarations.

No Deductible applies to this Additional Coverage.

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 or damage.

a. 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 Form.

b. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

c. 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.

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

- a. Delay, loss of use or loss of market.
- b. Dishonest or criminal acts by you, any of your partners, directors, trustees or officers:
 - (1) Acting alone or in collusion with others; or
 - (2) Whether or not occurring during the hours of employment.
- c. 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 loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".
- d. Programming errors, including but not limited to:
 - (1) The inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates, times or other data; or
 - (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 due to the inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates times or other data.

But if loss or damage by "specified causes of loss" results, we will pay for that resulting loss or damage.

We will not pay for repair, replacement or modification of Covered Property to correct any deficiencies or change any features.

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

- a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.
- b. Corrosion, rust or dampness.
- c. Electrical breakdown or failure.
- d. Freezing or overheating.
- e. Wear and tear, gradual deterioration.
- f. Repair process or work on Covered Property.

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. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.

If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

If a title for a Deductible appears in quotations in the Declarations, that Deductible has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

The applicable Deductible shown in the Declarations applies to the Coverage Extensions and Additional Coverages unless otherwise stated in the Coverage Extension or Additional Coverage.

E. ADDITIONAL COVERAGE CONDITIONS

The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions.

1. Where Coverage Applies

We cover property that is in:

- a. The United States of America;
- b. Puerto Rico; or
- c. Canada.

But we do not cover property in transit to or from Hawaii or Puerto Rico.

2. Coinsurance

- a. Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

- b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

3. Valuation

In the event of loss or damage, the value of "Contractors Equipment" at the time of loss or damage will be determined as shown below:

a. Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

- (1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;

- (2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

- (3) The cost of replacing that property with substantially identical property.

b. Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

F. DEFINITIONS

1. "Basic Deductible" means the Deductible applicable in any one occurrence of loss or damage unless a more specific Deductible for the applicable loss or damage is shown in the Declarations or elsewhere in the policy.

When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

2. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:
 - a. Listed Items - Items listed in the Declarations;
 - b. Unlisted Items - Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than the amount shown for any one item;
 - c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased or rented from others.

"Contractors Equipment" does not include:

- a. Contraband, or property in the course of illegal transit or trade;
 - b. Vehicles designed and principally used to transport property or persons over public roads;
 - c. Aircraft or watercraft;
 - d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use.
3. "Earth movement" means any movement of the earth (other than "sinkhole collapse"), including but not limited to:
- a. Earthquake;
 - b. Landslide;
 - c. Earth sinking, rising or shifting; or
 - d. Volcanic eruption, explosion or effusion;

all whether naturally occurring or due to man-made or other artificial causes.

4. "Earth Movement Annual Aggregate Limit of Insurance" means the most we will pay for all covered "earth movement" occurrences in any one policy year.

Each policy year:

- a. Begins with the inception date or anniversary date of this policy, and
 - b. Ends at the next anniversary date or the expiration date of this policy.
5. "Earth Movement Deductible" means the Deductible applicable in any one occurrence of loss or damage from "earth movement".
- a. When a percentage (%) is shown in the Declarations, we will calculate the dollar amount of the deductible by multiplying the applicable percentage shown in the Declarations by the value, at the time of loss or damage, of the property that has sustained loss or damage.
 - b. When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

6. "Earth Movement Limit of Insurance" means the most we will pay for loss or damage in any one occurrence caused directly or indirectly by "earth movement", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

But if loss or damage by fire, explosion or "volcanic action" results from "earth movement", the "Earth Movement Limit of Insurance" will not apply to the resulting loss or damage. Instead, we will pay up to the applicable Limit of Insurance shown in the Declarations that would otherwise apply to loss or damage by fire, explosion or "volcanic action". We will also pay up to such applicable Limit of Insurance for loss or damage by building glass breakage resulting from volcanic eruption, explosion or effusion.

All "earth movement" that occurs within any 168 - hour period will constitute a single occurrence. The expiration of this policy will not reduce the 168 - hour period.

Any payment under the "Earth Movement Limit of Insurance" is included within and will not increase the applicable Limit of Insurance shown elsewhere in this policy.

7. "Expendable supplies" means consumable and periodic maintenance items, held exclusively for the servicing of "Contractors Equipment", including, but not limited to, oil, grease, fuel, filters, and spark plugs.

8. "Flood" means:

- a. Surface water, waves, tides, tidal waves, tsunamis, overflow of any body of water, or their spray, all whether driven by wind or not;
- b. Mudslide or mudflow;
- c. Water that backs up from a sewer or drain; or
- d. Water under the ground surface pressing on, or flowing or seeping through:
 - (1) Foundations, walls, floors or paved surfaces;
 - (2) Basements, whether paved or not; or
 - (3) Doors, windows or other openings;

all whether naturally occurring or due to man-made or other artificial causes.

9. "Flood Annual Aggregate Limit of Insurance" means the most we will pay for all covered "flood" occurrences in any one policy year.

Each policy year:

- a. Begins with the inception date or anniversary date of this policy, and
- b. Ends at the next anniversary date or the expiration date of this policy.

10. "Flood Deductible" means the Deductible applicable in any one occurrence of loss or damage from "flood".

- a. When a percentage (%) is shown in the Declarations, we will calculate the dollar amount of the deductible by multiplying the applicable percentage shown in the Declarations by the value, at the time of loss or damage, of the property that has sustained loss or damage.
- b. When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

11. "Flood Limit of Insurance" means the most we will pay for loss or damage in any one occurrence caused directly or indirectly by "flood", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

But if loss or damage by fire, explosion, or leakage or discharge from an automatic sprinkler system results from "flood", the "Flood Limit of Insurance" will not apply to the resulting loss or damage. Instead, we will pay up to the applicable Limit of Insurance shown in the Declarations that would otherwise apply to loss or damage by fire, explosion, or leakage or discharge from an automatic sprinkler system.

Any payment under the "Flood Limit of Insurance" is included within and will not increase the applicable Limit of Insurance shown elsewhere in this policy.

12. "Maximum Amount of Payment" means the most we will pay in any one occurrence of loss or damage.
13. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste. Waste includes materials to be recycled, reconditioned or reclaimed.
14. "Replacement items" means equipment similar to the "Contractors Equipment" used in your business operations that you must rent due to loss or damage caused by or resulting from a Covered Cause of Loss to your "Contractors Equipment". "Replacement items" are only those items which are:
- a. Necessary to continue your normal business operations; and
 - b. Needed because you do not have idle "Contractors Equipment" which can do the same work.
15. "Sinkhole collapse" means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. "Sinkhole collapse" does not mean the cost of filling sinkholes or the sinking or collapse of land into man-made underground cavities.
16. "Specified causes of loss" means fire; lightning; explosion; "windstorm"; 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. 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 personal 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.
 - b. "Water damage" means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.
17. "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.

"Volcanic action" does not mean the cost to remove ash, dust or particles that do not cause direct physical loss or damage.

All volcanic eruptions that occur within any 168 - hour period will constitute a single occurrence.

18. "Windstorm" means wind or hail.

19. "Windstorm Deductible" means the Deductible applicable in any one occurrence of loss or damage caused directly or indirectly by "windstorm".

If loss or damage by rain, snow, sand or dust occurs and that loss or damage would not have occurred but for the "windstorm", such loss or damage will be considered to be caused by a "windstorm" occurrence.

- a. When a percentage (%) is shown in the Declarations, we will calculate the dollar amount of the deductible by multiplying the applicable percentage shown in the Declarations by the value, at the time of loss or damage, of the property that has sustained loss or damage.
- b. When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

The "Windstorm Deductible" does not apply to property in transit.

POLICY NUMBER: P-630-0696L335-TCT-15

COMMERCIAL INLAND MARINE
GENERAL PURPOSE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CELLULAR TELECOMMUNICATIONS
EQUIPMENT AND MEDIA COVERAGE FORM

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL INLAND MARINE COVERAGE PART

AMENDING FORM CM T0 01 07 86, CELLULAR TELECOMMUNICATIONS EQUIPMENT AND MEDIA
COVERAGE FORM, ITEM K. EXCEPTION TO READ:

CELLULAR TELECOMMUNICATIONS EQUIPMENT AND MEDIA COVERAGE \$5,000
EXCEPT WINDSTORM 2%, \$50,000 MINIMUM

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses under this Coverage Part is included in the Coverage Part premium. The charge for such Insured Losses that has been included for this Coverage Part is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA:

- 1% of your total Commercial Inland Marine Coverage Part premium.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

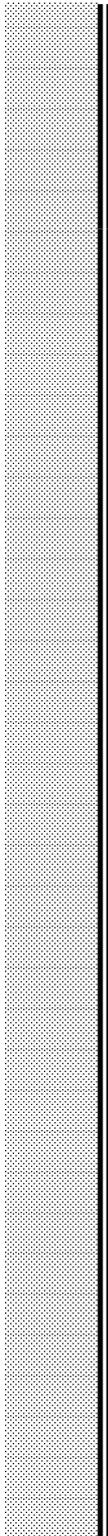
80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses under this Coverage Part is included in the Coverage Part premium. The charge for such Insured Losses that has been included for this Coverage Part is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA:

- 1% of your total Commercial Inland Marine Coverage Part premium.

**INTERLINE
ENDORSEMENTS**



**INTERLINE
ENDORSEMENTS**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement applies to the insurance provided under the following:

COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE
COMMERCIAL GENERAL LIABILITY COVERAGE PART
CYBERFIRST ESSENTIALS LIABILITY COVERAGE PART
CYBERFIRST LIABILITY COVERAGE
EMPLOYEE BENEFITS LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EMPLOYMENT PRACTICES LIABILITY[†] WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT
COVERAGE PART
ENVIRONMENTAL HAZARD POLICY
EXCESS (FOLLOWING FORM) LIABILITY INSURANCE
LAW ENFORCEMENT LIABILITY COVERAGE PART
LIMITED ABOVE GROUND POLLUTION LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDFIRST PRODUCTS/COMPLETED OPERATIONS, ERRORS AND OMISSIONS, AND
INFORMATION SECURITY LIABILITY COVERAGE FORM
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK DEPARTMENT OF
TRANSPORTATION
TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART
Any other Commercial Liability coverage included in this policy that is subject to the federal Terrorism
Risk Insurance Act of 2002 as amended

PROVISIONS

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). Act Of Terrorism is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

- 85% with respect to such Insured Losses occurring in calendar year 2015.
- 84% with respect to such Insured Losses occurring in calendar year 2016.
- 83% with respect to such Insured Losses occurring in calendar year 2017.
- 82% with respect to such Insured Losses occurring in calendar year 2018.
- 81% with respect to such Insured Losses occurring in calendar year 2019.
- 80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

For each coverage provided by this policy that applies to such Insured Losses, the charge for such Insured Losses is included in the premium for such coverage. The charge for such Insured Losses that has been included for each such coverage is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA.

- **1% of each applicable Commercial Liability Coverage premium.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CYBERFIRST ESSENTIALS LIABILITY COVERAGE PART
CYBERFIRST LIABILITY COVERAGE
DELUXE PROPERTY COVERAGE PART
EMPLOYEE BENEFITS LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EMPLOYMENT PRACTICES LIABILITY+ WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT
COVERAGE PART
ENVIRONMENTAL HAZARD POLICY
EQUIPMENT BREAKDOWN COVERAGE PART
EXCESS (FOLLOWING FORM) LIABILITY INSURANCE
LAW ENFORCEMENT LIABILITY COVERAGE PART
LIMITED ABOVE GROUND POLLUTION LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDFIRST PRODUCTS/COMPLETED OPERATIONS, ERRORS AND OMISSIONS, AND
INFORMATION SECURITY LIABILITY COVERAGE FORM
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK DEPARTMENT OF
TRANSPORTATION
TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART
Any other Coverage Part or Coverage Form included in this policy that is subject to the federal Terrorism
Risk Insurance Act of 2002 as amended

The following is added to this policy. This provision can limit coverage for any loss arising out of a "certified act of terrorism" if such loss is otherwise covered by this policy. This provision does not apply if and to the extent that coverage for the loss is excluded or limited by an exclusion or other coverage limitation for losses arising out of "certified acts of terrorism" in another endorsement to this policy.

If aggregate insured losses attributable to "certified acts of terrorism" exceed \$100 billion in a calendar year and we have met our insurer deductible under "TRIA", we will 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.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of "TRIA", to be an act of terrorism pursuant to "TRIA". The criteria contained in "TRIA" 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 "TRIA"; 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.

"TRIA" means the federal Terrorism Risk Insurance Act of 2002 as amended.

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
COMMERCIAL INLAND MARINE COVERAGE PART
FARM COVERAGE PART

- 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, rental value 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.
- 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 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.

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".

"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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RHODE ISLAND CHANGES – CIVIL UNION

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The term "spouse" is replaced by the following:

Spouse or party to a civil union recognized under Rhode Island law.

B. Under the Commercial Automobile Coverage Part, the term "family member" is replaced by the following and supersedes any other provisions to the contrary:

"Family member" means a person related to:

1. An individual Named Insured by blood, adoption, marriage or civil union recognized under Rhode Island law, who is a resident of such Named Insured's household, including a ward or foster child;
2. The individual named in the Schedule by blood, adoption, marriage or civil union recognized under Rhode Island law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other

Car Coverage – Broadened Coverage For Named Individuals endorsement is attached; or

3. You by blood, adoption, marriage or civil union recognized under Rhode Island law, who is a resident of your household, including a ward or foster child, if the Individual Named Insured endorsement is attached.

C. With respect to coverage for the ownership, maintenance or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under Rhode Island law, who is a resident of your household, including a ward or foster child.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RHODE ISLAND CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY – LEGAL LIABILITY COVERAGE FORM
COMMERCIAL PROPERTY – MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM LIABILITY COVERAGE FORM
FARM UMBRELLA LIABILITY POLICY
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

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

When an insurer or its agents recover payment on a casualty loss from a third party through subrogation, the insurer must first pay the insured the deductible portion of the casualty loss, less the prorated share of subrogation expenses and thereafter retain any funds in excess of the deductible portion of the recovery.

B. The following provision is added:

DIRECT LIABILITY OF INSURERS

We will be directly liable for those sums the insured becomes legally obligated to pay as damages to the injured party to which this insurance applies. In the event of that injured party's death, we will be directly liable for those sums the insured becomes legally obligated to pay as damages to the party entitled to sue as a result of the injured party's death, and to which this insurance applies.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES DUE TO DATES OR TIMES

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL CRIME COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by any of 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 Boiler and Machinery Coverage Part, the Commercial Crime Coverage Part or the Commercial Inland Marine Coverage Part; or
 - 2.** Under the Commercial Property Coverage Part:
 - a.** In a "Specified Cause of Loss", in elevator collision resulting from mechanical breakdown, or from theft (if insured) 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, theft, or a 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RHODE ISLAND CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
DELUXE PROPERTY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. With respect to the:

Commercial Inland Marine Coverage Part

Deluxe Property Coverage Part

Paragraph **1.** of the **CANCELLATION** Common Policy Conditions – Deluxe is replaced by the following:

- 1.** The first Named Insured shown in the Declarations may cancel this policy by giving, mailing or delivering advance written notice of cancellation to us or to the insurance agent or producer who issued the policy.

B. With respect to all Coverage Parts and Policies addressed in this endorsement, the **CANCELLATION** Common Policy Conditions – Deluxe is amended by replacing Paragraphs **2.**, **3.**, **5.** and **6.** with the following:

- 2.** We may cancel this policy by giving, mailing or delivering to the first Named Insured and the insurance agent or producer of record, if any, written notice of cancellation at least:
 - a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b.** 60 days before the effective date of cancellation if we cancel for any other reason.

If this policy has been in effect for 60 days or more, or if this is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

- a.** Nonpayment of premium;

- b.** Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy, or in presenting a claim under the policy;

- c.** Activities or omissions on your part which increase any hazard insured against, including a failure to comply with loss control recommendations;

- d.** Change in the risk which increases the risk of loss after insurance coverage has been issued or renewed, including but not limited to an increase in exposure due to regulation, legislation, or court decision;

- e.** Loss or decrease of our reinsurance covering all or part of the risk or exposure covered by the policy;

- f.** Determination by the Commissioner of Insurance that the continuation of the policy would jeopardize our solvency or would place us in violation of the insurance laws of this state;

- g.** Owner or occupant incendiarism;

- h.** Violation or breach by you of any policy terms or conditions;

- i.** Constructive or actual total loss of the Covered Property; or

- j.** Such other reasons as may be approved by the Commissioner of Insurance.

- 3.** We will give, mail or deliver written notice to the first Named Insured at the address shown

on the policy, and to the insurance producer of record, if any.

However, with respect to the:

Commercial Inland Marine Coverage Part

Commercial Property Coverage Part

Employment-Related Practices Liability Coverage Part

We will give, mail or deliver written notice to the first Named Insured at the last address known to us, and to the insurance producer of record, if any.

5. If this policy is cancelled, we will send the first Named Insured any premium refund due.

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

The following provisions govern calculation of return premium:

- a. We will compute return premium pro rata and round to the next higher whole dollar when this policy is:
 - (1) Cancelled at our request;
 - (2) Cancelled because you no longer have a financial or insurable interest in the property or business operation that is the subject of insurance;
 - (3) Cancelled and rewritten by us or a member of our company group;
 - (4) Cancelled after the first year, if it is a prepaid policy written for a term of more than one year; or
 - (5) Cancelled by us at the request of a premium finance company upon default of the first Named Insured, when this policy is financed under a premium finance agreement.
 - b. When this policy is cancelled at your request (except when Paragraph **a.(2)**, **a.(3)** or **a.(4)** applies), we will return 90% (75% for Equipment Breakdown policies) of the pro rata unearned premium, rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multiyear prepaid policy, we will return the full annual premium for the subsequent years.
6. Proof of giving, mailing or delivering notice of cancellation will be sufficient proof of notice.

- C. With respect to all Coverage Parts and Policies addressed in this endorsement, the following is added to the **CANCELLATION** Common Policy Conditions – Deluxe:

7. We will provide you with the reason or reasons for cancellation if:
- a. You request in writing a statement of the reasons for cancellation; and
 - b. You agree in writing to hold us harmless from liability for any:
 - (1) Communication giving notice of, or specifying the reasons for, cancellation; or
 - (2) Statement made in connection with an attempt to discover or verify the existence of conditions which would be a reason for cancellation as provided under Paragraph **B.2**.

- D. With respect to all Coverage Parts and Policies addressed in this endorsement, the following is added and supersedes any provision to the contrary:

Nonrenewal

1. If we elect not to renew this policy, we will give, mail or deliver to the first Named Insured and the insurance producer of record, if any, written notice of nonrenewal at least 60 days before:
 - a. The expiration date of the policy; or
 - b. An anniversary date of the policy, if the policy is written for a term longer than one year or with no fixed expiration date.
 2. However, we need not give, mail or deliver this notice if:
 - a. We have offered to issue a renewal policy; or
 - b. The first Named Insured has obtained, or has agreed in writing to obtain, replacement coverage.
- E. The following is added to the Common Policy Conditions with respect to the Coverage Parts of which this endorsement applies, except the Employment-Related Practices Liability Coverage Part:
- If notice of nonrenewal is mailed to the insured, we shall forward the notice of nonrenewal to the last known address of the first Named Insured by first class mail and maintain proof of mailing by

the United States Postal Service certificate of mailing. This proof of mailing will be sufficient proof of notice.

F. With respect to the:

Commercial Inland Marine Coverage Part
Deluxe Property Coverage Part

The following is added to the Common Policy Conditions:

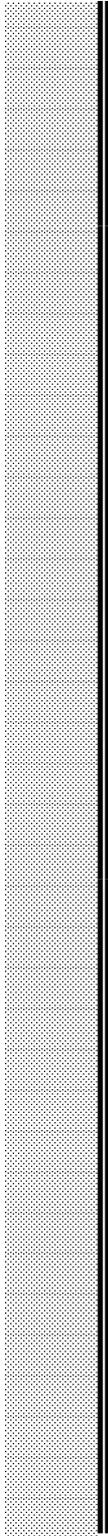
If notice of cancellation is mailed to the insured, we shall forward the notice of cancellation to the last known address of the first Named Insured by first class mail and maintain proof of mailing by the United States Postal Service certificate of mailing. This proof of mailing will be sufficient proof of notice.

G. With respect to a loss payee named in the policy, if any, we will give, mail or deliver written notice of cancellation, subject to **B.2.** above, and written notice of nonrenewal, subject **D.1.** above. Mailing will be accomplished in accordance with the applicable procedure stated in **E.** and **F.** above.

H. Under the **MORTGAGEHOLDERS** – Additional Conditions, the paragraphs pertaining to cancellation and nonrenewal are replaced by the following:

1. If we cancel this policy, we will give, mail or deliver written notice to the mortgageholder at least:
 - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. 60 days before the effective date of cancellation if we cancel for any other reason.
2. If we do not renew this policy, we will give, mail or deliver written notice to the mortgageholder at least 10 days before:
 - a. The expiration date of the policy; or
 - b. An anniversary date of the policy, if the policy is written for a term longer than one year or with no fixed expiration date.

POLICYHOLDER NOTICES



POLICYHOLDER NOTICES

IMPORTANT NOTICE – INDEPENDENT AGENT AND BROKER COMPENSATION

NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.

For information about how Travelers compensates independent agents and brokers, please visit www.travelers.com, call our toll-free telephone number 1-866-904-8348, or request a written copy from Marketing at One Tower Square, 2GSA, Hartford, CT 06183.

RHODE ISLAND NOTICE TO POLICYHOLDERS CONCERNING FLOOD INSURANCE

This policy may not cover damages resulting from flood. Flood insurance may be available through the Federal Emergency Management Agency (FEMA) National Flood Insurance Program. Contact your insurer or producer for assistance.

To Our Valued Customer,

Each year, homeowners and business owners across the nation sustain significant weather-related property damage due to floods. These can include losses caused by waves, tidal waters, the overflow of a body of water, the rapid accumulation or runoff of surface water, and mudslide. In nearly all cases, these flood losses cannot be prevented or even anticipated. And, in many instances, the losses are devastating.

Most standard property insurance policies, including most of our policies, do not provide coverage for flood losses. While flood coverage is often available – primarily through the National Flood Insurance Program – it is rarely purchased. Unfortunately, each year we find that some policyholders are surprised and disappointed to learn that damages they have suffered as a direct result of flood are not covered under the policies they have purchased.

Please review your insurance coverage with your agent or Company representative. As you consider the need for flood insurance, keep in mind that floods can, and do, occur in locations all over the country. They are not limited to coastal areas or locations with nearby rivers or streams. Several inches of rain falling over a short period of time can cause flood damage, even in normally dry areas that are not prone to flooding.

For further information about Flood Insurance, contact your agent or company representative, or contact the National Flood Insurance Program directly.