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24 hours a day, 365 days a year*

*Unless Your Policy Requires **Written** Notice or Reporting

COMMERCIAL INSURANCE

A Custom Insurance Policy Prepared for:

**DANA POINT CONDO. ASSOC.
1519 E. CENTRAL RD.
ARLINGTON HEIGHTS IL 60005**



One Tower Square, Hartford, Connecticut 06183

TRAVELERS CORP. TEL: 1-800-328-2189
REAL ESTATE OWNERS
COMMON POLICY DECLARATIONS
ISSUE DATE: 04/29/11
POLICY NUMBER: Y-630-1744M171-TIL-11

INSURING COMPANY:

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

1. NAMED INSURED AND MAILING ADDRESS:
DANA POINT CONDO. ASSOC.
1519 E. CENTRAL RD.
ARLINGTON HEIGHTS, IL 60005

2. POLICY PERIOD: From 05/01/11 to 05/01/12 12:01 A.M. Standard Time at your mailing address.

3. LOCATIONS

| Premises | Bldg. | Loc. 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 09 98 TIL |
| COMMERCIAL GENERAL LIABILITY COV PART DECLARATIONS | CG T0 01 11 03 TIL |

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 | \$ 96,128 |
| Due at Inception | \$ |
| Due at Each | \$ |

NAME AND ADDRESS OF AGENT OR BROKER:
BRADISH ASSOC LTD (HG487)
215 N ARLINGTON HEIGHTS RD
ARLINGTON HEIGHTS, IL 60004

COUNTERSIGNED BY:

Authorized Representative

DATE: _____



POLICY NUMBER: Y-630-1744M171-TIL-11

EFFECTIVE DATE: 05-01-11

ISSUE DATE: 04-29-11

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

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

| | |
|----------------|--|
| IL T0 02 11 89 | COMMON POLICY DECLARATIONS |
| IL T8 01 10 93 | FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS |
| IL T3 18 07 07 | COMMON POLICY CONDITIONS-DELUXE |
| IL T0 03 04 96 | LOCATION SCHEDULE |

DELUXE PROPERTY

| | |
|----------------|--|
| DX T0 00 09 98 | DELUXE PROPERTY COV PART DECLARATIONS |
| DX 00 04 03 98 | TABLE OF CONTENTS - DELUXE PROP COV PART |
| DX T1 00 03 98 | DELUXE PROPERTY COVERAGE FORM |
| DX T1 01 03 98 | DELUXE BUSINESS INCOME COV FORM AND EE |
| DX T8 01 | GENERAL PURPOSE ENDORSEMENT |
| DX T4 23 02 09 | PERS PROPERTY OUTSIDE COVERAGE TERRITORY |
| DX T4 34 02 09 | CONDO ASSOCIATION COVERAGE |
| DX T3 01 03 98 | CAUSES OF LOSS - EARTHQUAKE |
| DX T3 02 03 98 | CAUSES OF LOSS - BROAD FORM FLOOD |
| DX T3 10 03 98 | VACANCY RESTRICTION |
| DX T3 12 03 98 | COINSURANCE - DIRECT DAMAGE |
| DX T3 19 02 04 | CAUSES OF LOSS - EQUIPMENT BREAKDOWN |
| DX T3 39 03 98 | DELUXE ORDINANCE OR LAW COVERAGE |
| DX T3 85 03 98 | UTILITY SERVICE - DIRECT DAMAGE |
| DX T3 86 03 98 | UTILITY SERVICES - TIME ELEMENT |
| DX T4 02 01 08 | TERRORISM RISK INS ACT 2002 DISCLOSURE |
| DX T3 97 08 06 | FUNGI, WET ROT, DRY ROT & OTHER COL |
| DX T3 98 04 02 | ELECTRONIC VANDALISM LIMITATION |

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 20 04 11 85 | ADD'L INS - CONDOMINIUM UNIT OWNERS |
| CG 21 70 01 08 | CAP ON LOSSES-CERTIFIED ACTS-TERRORISM |
| CG D0 37 04 05 | OTHER INSURANCE-ADDITIONAL INSUREDS |
| CG D2 34 01 05 | WEB XTEND - LIABILITY |
| CG D4 13 04 08 | AMENDMENT OF COVERAGE-COOLING-POLLUTION |
| CG D4 67 12 08 | INTL XTEND ENDT FOR SERVICE INDUSTRIES |
| CG D2 43 01 02 | FUNGI OR BACTERIA EXCLUSION |
| CG D2 56 11 03 | AMENDMENT OF COVERAGE |
| CG D2 88 11 03 | EMPLOYMENT-RELATED PRACTICES EXCLUSION |
| CG D3 26 01 04 | EXCLUSION-UNSOLICITED COMMUNICATIONS |



POLICY NUMBER: Y-630-1744M171-TIL-11

EFFECTIVE DATE: 05-01-11

ISSUE DATE: 04-29-11

COMMERCIAL GENERAL LIABILITY (CONTINUED)

| | |
|----------------|--|
| CG D3 56 01 05 | MOBILE EQUIP/EXCL VEHICLES SUB TO MV LAW |
| CG D0 76 06 93 | EXCLUSION-LEAD |
| CG D1 42 01 99 | EXCLUSION-DISCRIMINATION |
| CG D2 42 01 02 | EXCLUSION WAR |
| CG T4 78 02 90 | EXCLUSION-ASBESTOS |
| CG F2 64 03 05 | ILLINOIS CHANGES-CONDOMINIUMS |
| CG 02 00 12 07 | IL CHANGES -CANCELLATION AND NONRENEWAL |

INTERLINE ENDORSEMENTS

| | |
|----------------|---|
| IL T3 68 05 10 | FEDERAL TERRORISM RISK INS ACT DISCLOSE |
| IL T3 82 08 06 | EXCL OF LOSS DUE TO VIRUS OR BACTERIA |
| IL T3 79 01 08 | CAPS ON LOSSES FROM CERT ACTS OF TERROR |
| IL 00 21 09 08 | NUCLEAR ENERGY LIAB EXCL END-BROAD FORM |
| IL 01 62 09 08 | ILLINOIS CHANGES - DEFENSE COSTS |
| IL F0 15 07 05 | IL CHANGES-CANCELLATION AND NONRENEWAL |
| IL T3 55 08 98 | EXCL OF CERTAIN COMPUTER REL LOSSES |
| IL T9 14 10 10 | ILLINOIS CHANGES |

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 – Declarations may list endorsements in-

cluded 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.

The companies listed below (each a stock company) have executed this policy, and 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)

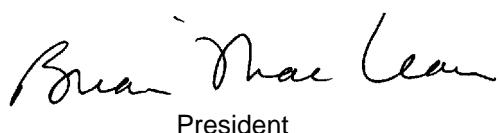
The Travelers Indemnity Company of Connecticut (TCT)

The Travelers Indemnity Company of America (TIA)

Travelers Casualty Insurance Company of America (ACJ)



Secretary



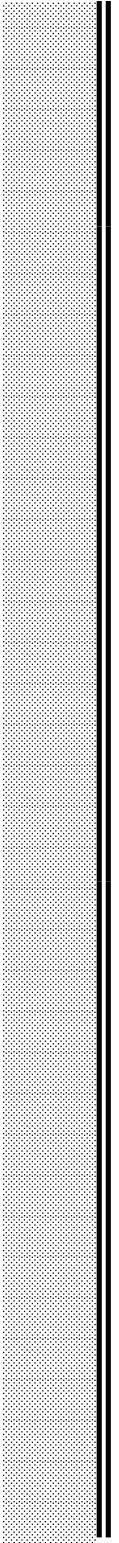
President

LOCATION SCHEDULE**POLICY NUMBER: Y-630-1744M171-TIL-11**

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period
05-01-11 to 05-01-12.

| Loc. No. | Bldg. No. | Address | Occupancy |
|-------------|--------------|---|-------------|
| 1 | 1 | 1405 E. CENTRAL RD. ARLINGTON HEIGHTS, IL 60005 | CONDOMINIUM |
| 2 | 2 | 1415 E. CENTRAL RD. ARLINGTON HEIGHTS, IL 60005 | CONDOMINIUM |
| 3 | 3 | 1505-1515 E. CENTRAL RD. ARLINGTON HEIGHTS, IL 60005 | CONDOMINIUM |
| 4 | 4 | 1519 E. CENTRAL RD. ARLINGTON HEIGHTS, IL 60005 | CLUBHOUSE |
| 5 | 5 | 1605 E. CENTRAL RD ARLINGTON HEIGHTS, IL 60005 | CONDOMINIUM |
| 6 | 6 | 1615 E. CENTRAL RD. ARLINGTON HEIGHTS, IL 60005 | CONDOMINIUM |

DELUXE PROPERTY



DELUXE PROPERTY



One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**

**POLICY NUMBER: Y-630-1744M171-TIL-11
ISSUE DATE: 04-29-11**

INSURING COMPANY:
TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

EFFECTIVE DATE: Same as policy unless otherwise specified:

COVERAGES AND LIMITS OF INSURANCE - DESCRIBED PREMISES

Insurance applies on a BLANKET basis only to a coverage for which a Limit of Insurance is shown, as per Statement of Values dated 05/01/10, and at locations subsequently reported to and insured by us. For Insurance that applies to a specific premises location see Deluxe Property Coverage Part Schedule - Specific Limits.

DELUXE PROPERTY COVERAGE FORM

| Blanket Description of Coverage or Property | Limits of Insurance |
|--|----------------------------|
| Building(s) and Your Business Personal Property | \$ 123,400,000 |
| Personal Property of Others | \$ 25,000 |

COINSURANCE PROVISION:

Coinurance does not apply to the Blanket coverages shown above. Exception:

| | |
|---|-------|
| Building(s) and Your Business Personal Property | 100 % |
| Personal Property of Others | 100 % |

VALUATION PROVISION:

Replacement cost (subject to limitations) applies to any types of covered property shown above.

DX T0 00 09 98

PRODUCER: BRADISH ASSOC LTD

HG487 OFFICE:NAPERVILLE2

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One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**

**POLICY NUMBER: Y-630-1744M171-TIL-11
ISSUE DATE: 04-29-11**

OPTIONAL COVERAGES

| | Limits of Insurance |
|---|--------------------------------|
| Personal Property in Transit in any one conveyance by: | |
| Common or Contract Carrier | \$ 10,000 |
| Railroad | Not Covered |
| Air Carrier | \$ 10,000 |
| Insured's Vehicles | \$ 10,000 |
| Watercraft | Not Covered |
| In any one occurrence | \$ 10,000 |

DELUXE PROPERTY COVERAGE FORM - ADDITIONAL COVERAGES & COVERAGE EXTENSIONS

The following Limits of Insurance are included in the coverage form and apply in any one occurrence unless otherwise stated. Revised limits, if any, will be stated in the column on the right.

| | Limits of Insurance | Revised Limits of Insurance |
|--|--------------------------------|--|
| Accounts Receivable: | | |
| On premises | \$ 25,000 | |
| In transit or at undescribed premises | \$ 10,000 | |
| Appurtenant Buildings and Structures | \$ 100,000 | |
| Claim Data Expense | \$ 25,000 | |
| Debris Removal (additional limit) | \$ 250,000 | |
| Expediting Expense | \$ 25,000 | |
| Extra Expense | \$ 10,000 | |
| Fine Arts | \$ 50,000 | |
| Fire Department Service Charge | Policy Limit | |
| Fire Equipment Discharge | Policy Limit | |
| Newly Constructed or Acquired Property: | | |
| Building - each | \$ 2,000,000 | |
| Personal Property at each premises | \$ 1,000,000 | |
| Ordinance or Law | \$ 250,000 | |
| Outdoor Property | \$ 25,000 | |
| Overseas Business Travel - Personal Property | \$ 25,000 | |
| Personal Effects | \$ 25,000 | |
| Personal Property | | |
| at Undescribed Premises - Limited* | \$ 10,000 | |
| Personal Property in Transit - Limited* | \$ 10,000 | |
| Pollutant Clean-Up and Removal - Aggregate | \$ 100,000 | |
| Preservation of Property | Policy Limit | |
| Reward Coverage | \$ 25,000 | |
| Theft Damage to Rented Property | Policy Limit | |

DX T0 00 09 98



One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**

**POLICY NUMBER: Y-630-1744M171-TIL-11
ISSUE DATE: 04-29-11**

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

| | Limits of Insurance | Revised Limits of Insurance |
|---------------------------------------|------------------------|--------------------------------|
| Valuable Papers: | | |
| On premises | \$ 25,000 | |
| In transit or at undescribed premises | \$ 10,000 | |
| Water Damage, Other Liquids, | | |
| Powder or Molten Material Damage | Policy Limit | |

* DOES NOT APPLY IF A LIMIT IS SHOWN PREVIOUSLY

DELUXE BUSINESS INCOME COVERAGE FORM (AND EXTRA EXPENSE) - DESCRIBED PREMISES

| Premises Location No. | Building No. | Limits of Insurance |
|--------------------------|-----------------|------------------------|
| 1-6 | 1-6 | \$ 62,000 |

Coinsurance percentage applicable: 100

Rental Value: Included

Ordinary Payroll: Included

Extended Business Income - 90 days

DELUXE BUSINESS INCOME - ADDITIONAL COVERAGES AND COVERAGE EXTENSION

The following Limits of Insurance are included in the coverage form and apply in any one occurrence unless otherwise stated. Revised limits, if any, will be stated in the column on the right.

| | Limits of Insurance | Revised Limits of Insurance |
|---|------------------------|--------------------------------|
| Business Income from Dependent Property | \$ 100,000 | |
| Claim Data Expense | \$ 25,000 | |
| Newly Acquired Locations | \$ 500,000 | |
| Ordinance or Law - Increased Period of Restoration | \$ 250,000 | |

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One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**

**POLICY NUMBER: Y-630-1744M171-TIL-11
ISSUE DATE: 04-29-11**

CAUSES OF LOSS - EARTHQUAKE

| | Occurrence Limit | Annual Aggregate Limit |
|---|------------------|------------------------|
| 1. Applies at the following Building(s) numbered: | | |
| 001-006 | \$ 10,000,000 | \$ 10,000,000 |

If more than one Annual Aggregate Limit applies in any one occurrence, the most we will pay during each annual period is the largest of the Annual Aggregate Limits shown.

CAUSES OF LOSS - BROAD FORM FLOOD

| | Occurrence Limit | Annual Aggregate Limit |
|---|------------------|------------------------|
| 1. Applies at the following Building(s) numbered: | | |
| 001-006 | \$ 10,000,000 | \$ 10,000,000 |

If more than one Annual Aggregate Limit applies in any one occurrence, the most we will pay during each annual period is the largest of the Annual Aggregate Limits shown.

EXCESS OF LOSS LIMITATION

1. The Excess of Loss Limitation applies to Covered Property at all premises locations and buildings included in and subsequently endorsed to this policy, which are situated in any type of Zones prefixed A or V as designated by the National Flood Insurance Act of 1968 (or any subsequent amendment) unless otherwise indicated below.

UTILITY SERVICES

| | Limits of Insurance |
|---|---------------------|
| Combined Direct Damage and Time Element - in any one occurrence | \$ 10,000 |

Coverage is provided for the following:

Water Supply
Communication Supply
Power Supply

Overhead Transmission Lines are excluded.

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One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**

**POLICY NUMBER: Y-630-1744M171-TIL-11
ISSUE DATE: 04-29-11**

DEDUCTIBLES - THE FOLLOWING DEDUCTIBLE AMOUNTS SHALL APPLY TO LOSS:

BY EARTHQUAKE:

1. In any one occurrence at the following Building(s) numbered:

| | | |
|---------|----|--------|
| 001-006 | \$ | 50,000 |
|---------|----|--------|

As respects Business Income Coverage a 72 hour deductible applies at all premises locations.

BY FLOOD:

1. In any one occurrence at the following Building(s) numbered:

| | | |
|---------|----|--------|
| 001-006 | \$ | 50,000 |
|---------|----|--------|

As respects Business Income Coverage a 72 hour deductible applies at all premises locations.

TO PROPERTY IN TRANSIT:

| | | |
|------------------------|----|-------|
| In any one conveyance: | \$ | 1,000 |
| In any one occurrence: | \$ | 1,000 |

TO UTILITY SERVICES:

| | | |
|--------------------------------------|----|----------|
| Direct Damage in any one occurrence: | \$ | 1,000 |
| Time Element in any one occurrence: | \$ | 72 Hours |

BUSINESS INCOME:

As respects Business Income Coverage, for which no other deductible is stated above, a 72 hour deductible applies.

DX T0 00 09 98

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One Tower Square, Hartford, Connecticut 06183

**DELUXE PROPERTY COVERAGE
PART DECLARATIONS**

**POLICY NUMBER: Y-630-1744M171-TIL-11
ISSUE DATE: 04-29-11**

DEDUCTIBLES: (continued)

BY ANY OTHER COVERED LOSS in any one occurrence: \$ 10,000

EXCEPT AS INDICATED BELOW:

BY ANY OTHER COVERED LOSS, to premises location(s):
PERSONAL PROPERTY OF OTHERS

In any one occurrence: \$ 1,000

DX T0 00 09 98

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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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| C. Limitations | 13 |
| D. Limits of Insurance | 13 |
| E. Deductible | 13 |
| F. Loss Conditions | 14 |
| G. Additional Conditions | 17 |
| H. Optional Coverages | 18 |
| I. Definitions | 19 |
| DELUXE BUSINESS INCOME COVERAGE FORM (AND EXTRA EXPENSE) | |
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| C. Limits of Insurance | 5 |
| D. Deductible | 5 |
| E. Loss Conditions | 5 |
| F. Additional Condition | 7 |
| G. Optional Coverages | 8 |
| H. Definitions | 9 |
| DELUXE BUSINESS INCOME COVERAGE FORM (WITHOUT EXTRA EXPENSE) | |
| A. Coverage | 1 |
| B. Exclusions and Limitations | 4 |
| C. Limits of Insurance | 5 |
| D. Deductible | 5 |
| E. Loss Conditions | 5 |
| F. Additional Condition | 6 |
| G. Optional Coverages | 8 |
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| DELUXE EXTRA EXPENSE COVERAGE FORM | |
| A. Coverage | 1 |
| B. Exclusions and Limitations | 3 |
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| D. Loss Conditions | 3 |
| E. Definitions | 4 |

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 I.- 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 Causes of Loss

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

Excluded in Section B., Exclusions;
Limited in Section C., Limitations; or
Excluded or limited in the Declarations or by endorsements.

2. Covered Property

Covered Property, as used in this Coverage Part, means the following types of property described in this section A.2., and limited in A.3., Property and Costs Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

- a. **Building(s)**, means the designated buildings or structures at the premises described in the Declarations, including:
- (1) Completed additions;
 - (2) Fixtures, including outdoor fixtures;
 - (3) Machinery and equipment permanently attached to the building;
 - (4) Personal property owned by you that is used to maintain or service the buildings or structures or its grounds, 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; and

(g) Alarm systems.

(5) If not covered by other insurance:

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

b. **Your Business Personal Property** located in or on the designated buildings 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 on the Declarations:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the buildings or structures you occupy or lease but do not own; and
 - (b) you acquired or made at your expense, but are not permitted to remove; and

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

c. **Personal Property of Others** that is:

- (1) In your care, custody, or control; and
(2) Located in or on the designated buildings 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 or Personal Property of Others that:

- (1) is at an "exhibition" including while in transit to and from the "exhibition" site;
(2) is at any installation or temporary storage premises and your insurable interest continues until the installation is accepted; or
(3) is at any other premises not described in the Declarations, which you do not own, lease or regularly operate.

This coverage does not include personal property in the care, custody or control of your sales representatives.

Coverage under d.(1) "exhibitions" applies worldwide except within any country on which the United States government has imposed sanctions, embargoes or any other similar prohibition.

e. **Personal Property in Transit** meaning:

- (1) Your Business Personal Property; and
(2) Personal Property of Others while in transit and shipped by the type of conveyance stated in the Declarations.

We will also pay for:

- (1) Any general average or salvage charges you incur as respects losses to waterborne shipments; and
(2) Your interest in shipments sold Free On Board if you cannot collect the loss or damage from the consignee.

This coverage does not include:

- (1) Personal property in the care, custody or control of your sales representatives;
(2) Shipments by a government postal service;
(3) Export shipments after the earlier of the following:
 (a) After placed on the export conveyance; or
 (b) When coverage under an Ocean Marine or other insurance policy covering the property begins;
(4) Import shipments before the earlier of the following:
 (a) It is unloaded from the importing vessel or conveyance; or
 (b) When coverage under an Ocean Marine or other insurance policy covering the property ends;
(5) Property of others for which you are responsible while acting as a common or contract carrier, freight forwarder, freight consolidator, or freight broker.

f. **Sales Representative Property** meaning Your Business Personal Property and Personal Property of Others in the custody of any one of your sales representatives.

3. **Property and Costs Not Covered**

Unless the following property is added by endorsement to this Coverage Form, Covered Property does not include:

- a. Accounts and bills, except as provided in the Accounts Receivable Coverage Extension;
b. Currency, deeds, food stamps or other evidences of debt, money, notes, checks, drafts, or securities (lottery tickets held for sale are not securities);

- c. Contraband or property in the course of illegal transportation or trade;
 - d. Water or land whether in its natural state or otherwise (including land on which the property is located), growing crops, or standing timber;
 - e. The cost of excavations, grading, backfilling or filling (except those costs made necessary due to repair of buildings insured under this policy from a Covered Cause of Loss), reclaiming or restoring land or water;
 - f. The cost to research, replace or restore the information on valuable papers and records, including those which exist on electronic or magnetic media, except as provided in the Accounts Receivable and Valuable Papers Coverage Extensions;
 - g. "Fine arts", except as provided in the Personal Effects and Fine Arts Coverage Extensions;
 - h. Personal Property sold by you under an installment plan, conditional sale, trust agreement or other deferred payment plan after delivery to the purchasers;
 - i. 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;
 - j. Vehicles or self-propelled machines that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises;
 - k. Aircraft or watercraft (other than watercraft owned by you while out of water at the described premises);
 - l. Animals or birds;
 - m. Automobiles held for sale;
 - n. Bulkheads, pilings, piers, wharves, docks, dikes or dams;
 - o. Underground tanks, pipes, flues, drains, tunnels whether or not connected to buildings, mines or mining property; and
- p. The following property while outside of buildings:**
- (1) Bridges, roadways, walks, patios, or other paved surfaces;
 - (2) Retaining walls that are not part of the building described in the Declarations;
 - (3) Fences, trees, shrubs, plants or lawns (including fairways, greens and tees); or
 - (4) Harvested grain, hay, or straw or other crops.
- except as provided in the Outdoor Property Coverage Extension.
- 4. Additional Coverages - Unless otherwise indicated in the Declarations, the following Additional Coverages apply:**
- a. Debris Removal**
 - (1) We will pay 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 direct physical loss or damage.

This Additional Coverage does not apply to:

 - (a) Costs to extract "pollutants" from land or water; or
 - (b) Costs to remove, restore or replace polluted land or water. - (2) Payment for Debris Removal is included within the applicable Limit of Insurance shown in the Declarations. The most we will pay under this Additional Coverage 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 policy applicable to that loss or damage.
- Unless otherwise stated in the Declarations when the debris removal expense exceeds the above 25% limitation or the sum of loss of or damage to Covered Property and the expense for removal of its debris exceed the applicable Limit of Insurance

we will pay an additional amount for debris removal expense up to \$250,000 in any one occurrence.

b. Pollutant Cleanup and Removal

We will pay your expense to extract "pollutants" from land or water at the premises described in the Declarations, if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from "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 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 covered losses occurring during each separate 12 month period of this policy.

c. Preservation of Property

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

- (1) Any direct physical loss or damage to this property:
 - (a) While it is being moved or while temporarily stored at another location; and
 - (b) Only if the loss or damage occurs within 180 days after the property is first moved; and
- (2) The cost to remove the property from the described premises.

Coverage will end when any of the following first occurs:

- (1) When the policy is amended to provide insurance at the new location;

- (2) The property is returned to the original location; or

- (3) This policy expires.

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 for your liability for any 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.

e. Reward Coverage

We will reimburse you for reward(s) 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 of your Covered Property.

We will pay 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.

f. Ordinance or Law Coverage

- (1) If a Covered Cause of Loss occurs to a Covered Building we will pay:

- (a) For loss or damage caused by the enforcement of any ordinance or law that:

- i. Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss;

- ii. Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and

- iii. Is in force at the time of loss.

- (b) When the Covered Building is insured for replacement cost, the increased cost to repair, rebuild or construct the property caused by enforcement of building, zoning or land use ordinance or law. If the property is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use ordinance or law.
 - (c) The cost to demolish and clear the site of undamaged parts of the property caused by enforcement of the building, zoning or land use ordinance or law.
- (2) We will not pay under this coverage for loss due to any ordinance or law that:
- (a) You were required to comply with before the loss, even if the building was undamaged; and
 - (b) You failed to comply with.
- (3) We will not pay under this coverage for 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".
- (4) We will not pay for increased construction costs under this coverage:
- (a) Until the property is actually repaired or replaced, at the same location or elsewhere; and
 - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed 2 years. We may extend this period in writing during the 2 years.
- (5) The most we will pay for increased construction cost under this coverage is the increased cost of construction of a building of the same size:
- (a) At the same premises; and
 - (b) Limited to the minimum requirements of such law or ordinance regulating the repair or reconstruction of the damaged property on the same site.
- (c) If the ordinance or law requires relocation to another premises, the cost at the new premises.
- The most we will pay for loss under this Additional Coverage is \$250,000 in any one occurrence.
- g. Fire Protective Equipment Discharge**
- If fire protective equipment 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.
- h. Expediting Expenses**
- In the event of covered loss or damage, we will pay for the reasonable and necessary additional expenses you incur to make temporary repairs, expedite permanent repairs, or expedite permanent replacement 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 under this Additional Coverage is \$25,000 in any one occurrence.
- i. Overseas Business Travel**
- We will pay for direct physical loss or damage to business personal property while in the custody of any officer or employee of the insured while temporarily traveling outside of the United States of America (including its territories and possessions), Puerto Rico and Canada.
- The most we will pay for loss under this Additional Coverage is \$25,000 in any one occurrence.

5. Coverage Extensions - Unless otherwise indicated in the Declarations, the following Coverage Extensions apply:

You may extend the insurance provided by this Coverage Form as follows:

a. Newly Constructed or Acquired Property

(1) Insurance applies 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 you are required to insure under a written contract.

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

(2) You may extend the insurance for which a Limit of Insurance is stated in the Declarations that applies to Your Business Personal Property or to Personal Property of Others to apply to that type of property at a building you newly acquire:

- (a)** at a location described in the Declarations; and
- (b)** at any other location you acquire by purchase or lease.

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

(3) Insurance under this Extension for each newly acquired or constructed property will end when any of the following first occurs:

- (a)** This policy 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.

b. Appurtenant Buildings and Structures

When this policy covers Building(s) you may extend the insurance that applies to your buildings at the described premises to apply to incidental appurtenant buildings and structures, including but not limited to, pump houses, signs, aboveground tanks, microwave or satellite dishes, which have not been specifically described in the Declarations.

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

c. Personal Effects

You may extend the insurance that applies to Your Business Personal Property to apply to personal effects or "fine arts" owned by your officers, your partners or your employees.

Such property must be located on a premises described in the Declarations.

The most we will pay for loss or damage under this Extension is \$25,000 at each described premises. Our payment for loss of or damage to personal effects and "fine arts" will only be for the account of the owner of the property.

d. Valuable Papers and Records (Other Than Accounts Receivable)

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 (other than accounts receivable), including those which exist on electronic or magnetic media, for which duplicates do not exist. The most we will pay in any one occurrence under this Extension is \$25,000 at all described premises and \$10,000 while in transit or at all undescribed premises.

e. Claim Data Expense

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. This includes the cost of taking inventories, making appraisals and preparing other documentation to show the extent of loss. The most we will pay for preparation of claim data under this Extension is \$25,000 in any one occurrence. We will not pay for any expenses incurred, directed, or billed by or payable to insurance adjusters or their associates or subsidiaries or any costs as provided in the Loss Condition-Appraisal.

f. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor property on the described premises, as follows:

Fences, retaining walls not part of a building, lawns (including fairways, greens and tees), trees, shrubs and plants, bridges, walks, roadways, patios or other paved surfaces for loss or damage by the following Causes of Loss:

- (a) Fire;
- (b) Lightning;
- (c) Explosion;
- (d) Riot or Civil Commotions; or
- (e) Aircraft.

The most we will pay under this Extension is \$25,000 in any one occurrence, regardless of the types or numbers of items lost or damaged in that occurrence.

g. Theft Damage to Rented Property

You may extend coverage for loss or damage by theft or attempted theft which applies to Your Business Personal Property to that part of a building you occupy and which contains:

- (1) Your covered personal property; or
- (2) Equipment within the building used for maintenance or service of the building.

We will not pay for loss or damage:

- (1) Caused by or resulting from fire or explosion; or
- (2) To glass or glass lettering.

This Extension applies only to a building where you are a tenant and are liable for such damage.

h. Water Damage, Other Liquids, Powder or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:

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

i. Accounts Receivable

You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to your accounts receivable records including those on electronic data processing media. Credit card company charge media will be considered accounts receivable until delivered to the credit card company.

- (1) We will pay:

- (a) Amounts due from your customers that you are unable to collect because of loss or damage to your accounts receivable records;
- (b) Interest charges on any loan required to offset amounts you are unable to collect because of loss or damage to your accounts receivable records, 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) We will not pay for loss or damage under this Coverage Extension caused by or resulting from any of the following:
- (a) Bookkeeping, accounting or billing errors or omissions; or
 - (b) Electrical or magnetic injury, disturbance or erasure of electronic recording except as a result of direct loss caused by lightning.
- (3) We will not pay for loss or damage that requires an audit of records or any inventory computation to prove its factual existence.
- (4) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss, the following method will be used:
- (a) We will 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 amounts of accounts receivable for the month in which the loss occurred or for any demonstrated variance from the average for that month; and
 - (c) The following will be deducted 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.
- The most we will pay in any one occurrence under this Extension is \$25,000 at all described premises and \$10,000 while in transit or at all undescribed premises.
- j. Fine Arts**
- You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to "fine arts" at a premises described in the Declarations. The most we will pay under this Extension is \$50,000 in any one occurrence.
- k. Personal Property At Undescribed Premises - Limited**
- This Extension only applies when a Limit of Insurance is not stated in the Declarations for the Personal Property At Undescribed Premises Coverage.
- You may extend the insurance provided by this Coverage Form to apply to Your Business Personal Property that is at a location you do not own, lease or regularly operate. This Extension does not apply to:
- (1) Property in or on a vehicle;
 - (2) Property at any fair or "exhibition";
 - (3) Property at an installation premises; or
 - (4) Property temporarily at a location for more than 90 consecutive days.
- The most we will pay for loss or damage under this Extension is \$10,000 in any one occurrence.
- I. Personal Property in Transit - Limited**
- This Extension only applies when a Limit of Insurance is not stated in the Declarations for the Personal Property in Transit Coverage.
- (1) You may extend the insurance provided by this Coverage Form to apply to Your Business Personal Property in transit more than 1,000 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- This Extension does not apply to property in the care, custody or con-

trol of your sales representatives or to tools, equipment, supplies and materials used for service or repair in your business.

- (2) Loss or damage must be caused by or result from one of the following causes of loss:
 - (a) Fire, lightning, explosion, wind-storm or hail, riot or civil commotion, or vandalism;
 - (b) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the road bed; or
 - (c) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- (3) The most we will pay for loss or damage under this Extension is \$10,000 for the sum of all losses occurring during each separate 12 month period of this policy.

m. Extra Expense

You may extend the insurance provided by this Coverage Form to apply to the necessary and reasonable extra expense you incur to continue as nearly as possible your normal business operations following loss or damage to Covered Property at a premises described in the Declarations by a Covered Cause of Loss. The most we will pay under this Extension is \$10,000 in any one occurrence.

B. EXCLUSIONS

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

a. Ordinance or Law

The enforcement of 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;

except as provided in the Ordinance or Law Additional Coverage.

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

- (1) An ordinance or law that is enforced even if the property has not been damaged; or
- (2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Any earth movement (other than "sinkhole collapse") whether natural or man made, including but not limited to earthquake, mine subsidence, landslide, or earth sinking, rising or shifting. But if earth movement results in fire, or explosion, we will pay for the loss or damage caused by that fire or explosion.

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

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

- (a) Airborne volcanic blast or air-borne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) 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 or damage to the described property.

This exclusion does not apply to Property:

- (1) In transit;
- (2) At "exhibitions";
- (3) In the care, custody or control of your sales representative; or
- (4) In the custody of any officer or employee of the insured while traveling outside the United States of America (including its territories and possessions), Puerto Rico and Canada.

c. Governmental Action

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

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.

d. Nuclear Hazard

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

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

e. 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.

f. Utility Services

The failure or fluctuation of power or other utility service supplied to the described premises, however caused, if the failure or fluctuation occurs away from the described premises.

But if the failure or fluctuation of power 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.

g. 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 under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings.

But if Water, as described in g.(1) through g.(3) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

This exclusion does not apply to Property:

- (1) In transit;
- (2) At "exhibitions";
- (3) In the care, custody or control of your sales representatives; or
- (4) In the custody of any officer or employee of the insured while traveling outside the United States of America (including its territories and possessions), Puerto Rico and Canada.

h. Neglect

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

i. Collapse of Buildings

Collapse of buildings or structures meaning an abrupt falling down or caving in of a building or substantial part of a building with the result being that the building or substantial part of a building cannot be occupied for its intended purpose.

- (1) A building or part of a building:
- (a) That is in imminent danger of abruptly falling down or caving in; or
 - (b) Suffers a substantial impairment of structural integrity;
- is not considered a collapse but is considered to be in a state of imminent collapse.
- (2) However, we will pay for collapse of buildings or structures if caused only by one or more of the following:
- (a) Fire; lightning; explosion; wind-storm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects; weight of snow, ice or sleet; water damage, meaning accidental discharge of water or steam as the direct result of the breaking apart or cracking of a system or appliance containing water or steam;
 - (b) Decay, insect or vermin damage that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
 - (c) Weight of people or personal property;
 - (d) Weight of rain that collects on a roof; or
 - (e) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling, or renovation is complete and is caused in part by a cause of loss listed in 1.i.(2)(a) through (d) above, we will pay for the loss or damage even if use of defective material or methods, in construction, remodeling, or renovation, contributes to the collapse.
- 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.
- j. Imminent Collapse of Buildings**
- As respects buildings or structures in a state of imminent collapse as defined in 1.i.(1)(a) and (b) above, we will not pay for loss or damage except if the state of imminent collapse has been caused only by one or more of the following which have occurred during the policy period:
- (1) Fire; lightning; explosion; windstorm or hail; riot or civil commotion; "sink-hole collapse"; weight of snow, ice or sleet;
 - (2) Weight of people or personal property;
 - (3) Weight of rain that collects on a roof; or
 - (4) Use of defective material or methods in construction, remodeling or renovation if the state of imminent collapse occurs during the course of construction, remodeling or renovation.
2. We will not pay for loss or damage caused by or resulting from any of the following:
- a. Artificially generated electric current, including electric arcing, that disturbs electrical devices, equipment, appliances or wires unless caused by a "specified causes of loss".
But if artificially generated electric current results in fire, we will pay for the loss or damage caused by that fire.
 - b. Delay, loss of use or loss of market.
 - c. (1) Wear and tear;
(2) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
(3) Settling, cracking, shrinking or expansion;
(4) Nesting or infestation or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;

(5) Mechanical breakdown (including rupture or bursting caused by centrifugal force). This exclusion does not apply to resultant loss or damage by fire, building glass breakage or elevator collision.

(6) 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; and
- (d) Contamination.

But if an excluded cause of loss that is listed in 2.c.(1), 2.c.(2), 2.c.(3), 2.c.(4) and 2.c.(6) above results in a "specified causes of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified causes of loss" or building glass breakage.

d. Dishonest or criminal act by you, any of your partners, employees (including leased employees), directors, trustees, authorized representatives or anyone (other than a carrier for hire or bailee) 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 of Covered Property by your employees, but theft by employees is not covered.

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

or passages through which the gases of combustion pass.

f. 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. The cost of correcting or making good the damage to personal property attributable to such property being processed, manufactured, tested or otherwise being worked upon.

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

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

But we will pay for loss to Covered Property under the Personal Property In Transit coverage which 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, but if an excluded cause of loss that is listed in 3.a through 3.c. 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 B.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 Ordinance or Law Additional 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.

C. LIMITATIONS

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

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

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

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

c. 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.

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. \$10,000 for furs, fur garments and garments trimmed with fur.

b. \$10,000 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 all 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. \$1,000 for stamps, tickets (including lottery tickets held for sale) and letters of credit.

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

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

D. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the smallest applicable Limit of Insurance shown in the Declarations, Schedules, Coverage Form(s), or Endorsement(s).

Unless otherwise stated in the Declarations or in endorsements the limits applicable to the Additional Coverages and the Coverage Extensions are additional Limits of Insurance except for the following:

1. Preservation of Property, Fire Department Service Charge and Fire Protective Equipment Discharge Additional Coverages; and
2. Theft Damage To Rented Property and the Water, Other Liquids, Powder or Molten Material Damage Coverage Extensions.

E. 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 the same loss or damage the most we will deduct is the largest applicable deductible.

F. 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) Promptly make claim in writing against any other party which had custody of the Covered Property at the time of loss.
 - (5) 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.

- (6) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (7) 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.

- (8) 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.

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

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

4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property subject to b. below;
 - (3) Take all or any part of the property at an agreed or appraised value; or

- (4) Repair, rebuild, or replace the property with other property of like kind and quality subject to b. below.
- b. Except as provided in the Additional Coverage - Ordinance or Law, 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.
- c. We will give notice of our intentions within 30 days after we receive the proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owner's property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if:
 - (1) You have complied with all of the terms of this Coverage Part; and
 - (2) We have reached agreement with you on the amount of loss or an appraisal award has been made.
- h. 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. Pairs, Sets, or Parts

- a. In case of loss to any part of a pair or set we may at our option:
 - (1) Repair or replace any part to restore the pair or set to its value before the loss; or
 - (2) Pay the difference between the value of the pair or set before and after the loss.
- b. Parts. 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.

7. Valuation

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

- a. At replacement cost (without deduction for depreciation) as of the time of loss or damage, except as provided in b., c., d., e., f., g., h., i., j., k., l., m., n., o. and p. However, property will be valued at the actual cash value at the time of loss or damage until the property is repaired or replaced within a reasonable period of time. This restriction does not apply to losses less than \$10,000.
- b. 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.

- c. Tenant's Improvements and Betterments at:
 - (1) Replacement cost (without deduction for depreciation) of the lost or damaged property if you make repairs promptly.
 - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
- (3) Nothing if others pay for repairs or replacement.
- d. Personal property you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- e. 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.
- f. "Stock" in process at the cost of raw material, labor, plus the proper proportion of overhead charges.
- g. Personal Property of Others at the amount for which you are liable, not to exceed the replacement cost.
- h. Glass at the cost of replacement with safety glazing material if required by law.
- i. Valuable Papers and Records, including those which exist on electronic or magnetic media (other than prepackaged software programs), at the cost of:
 - (1) Blank material for reproducing the records; and
 - (2) Labor to transcribe or copy the records when there is a duplicate.
- j. Works of arts, antiques or rare articles at the least of:
 - (1) Market value at the time and place of loss;
 - (2) Cost of reasonably restoring that property; or
 - (3) Replacing that property with substantially the same property.
- k. Personal property at "exhibitions" at the lesser of replacement cost or the original cost to you.
- l. 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.
- m. 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:
 - (1) Any 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 relabel the merchandise or its containers to comply with the law.
 - (2) Any reduction in the salvage value of the damaged merchandise with brand or label removed.
- n. 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.
- o.** We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2), or (3), subject to p. below:
 - (1)** The Limit of Insurance applicable to the lost or damaged property;
 - (2)** The cost to replace, at the same location, the lost or damaged property with other property;
 - (a)** Of comparable material and quality; and
 - (b)** Used for the same purpose; or
 - (3)** The amount you actually spend that is necessary to repair or replace the lost or damaged property.
 - p.** 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.

G. ADDITIONAL CONDITIONS

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

1. 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 right 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 can 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.

2. 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 Named 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.

3. 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.

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 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

6. No Benefit to Bailee

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

7. 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 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.

8. 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. The coverage territory is:
 - (1) The United States of America (including its territories and possessions);
 - (2) Puerto Rico; and
 - (3) Canada.

9. 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 to your Covered Property.
- b. After a loss to your Covered Property 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.

10. 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.

H. OPTIONAL COVERAGES

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

- 1. Actual Cash Value** replaces Replacement Cost in the Loss Conditions - Valuation Provision 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: $\$100,000 \times .08 \times 146/365 = \$3,200$ | |

3. Manufacturers Selling Price Clause

The following is added to the Loss Conditions - VALUATION Provision:

We will determine the value of "finished stock" you manufacture, in the event of loss or damage, at :

- a. The selling price, if no loss or damage occurred;
- b. Less discounts and expenses you otherwise would have had.

I. DEFINITIONS

- 1. "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.
- 2. "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.

- 3. "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.

- 4. "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.

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

- a. Falling objects does not include loss or damage to:

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

- b. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.

- 6. "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.

7. "Finished Stock" means stock you have manufactured.
"Finished Stock" also includes whiskey and alcoholic products being aged.

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

DELUXE BUSINESS INCOME COVERAGE FORM (AND EXTRA EXPENSE)

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION H - DEFINITIONS.

A. COVERAGE

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

- (i)** Business Income including "Rental Value".
- (ii)** Business Income Other than "Rental Value".
- (iii)** "Rental Value".

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

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

We will pay for the actual loss of Business Income you sustain due to the necessary suspension of your "operations" during the "period of restoration". The suspension must be caused by direct physical loss of or damage to property, including your personal property in the open (or in a vehicle) within 1,000 feet, at premises which are described in the Declarations and for which a Business Income Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss.

If you are a tenant, your premises is the portion of the building which you rent, lease or occupy, including:

All routes within the building to gain access to the described premises;

All areas within the buildings on the same parcel of land which provides essential services to conduct your "operations"; and

Your personal property in the open (or in a vehicle) within 1,000 feet.

1. Business Income

a. Business Income means the:

- (1)** Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- (2)** Continuing normal operating expenses incurred, including payroll except when the following is indicated in the Declarations:
 - (a)** Ordinary payroll is excluded; or
 - (b)** Ordinary payroll is limited to a specified number of days. The number of days may be used in two separate periods during the "period of restoration".

b. When ordinary payroll is excluded or limited:

- (1)** In determining the operating expenses for the policy year for Coincurrence purposes, payroll expenses will not include ordinary payroll expenses, except for ordinary payroll expenses incurred during the number of days shown in the Schedule, or in the Declarations. If the ordinary payroll expenses for the policy year vary during the year, the period of greatest ordinary payroll expenses will be used.
- (2)** Ordinary payroll expenses means payroll expenses for all your employees except:
 - (a)** Officers;
 - (b)** Executives;
 - (c)** Department managers;
 - (d)** Employees under contract; and

- (e) Additional Exemptions, shown in the Declarations or by endorsement as:
 - (i) Job Classifications; or
 - (ii) Employees.
- (3) Ordinary payroll expenses include:
 - (a) Payroll;
 - (b) Employee benefits, if directly related to payroll;
 - (c) FICA payments;
 - (d) Union dues; and
 - (e) Worker's compensation premiums.

2. Covered Causes of Loss

See the Covered Causes of Loss section of the Deluxe Property Coverage Form.

3. Additional Coverages-Unless otherwise indicated in the Declarations, the following Additional Coverages apply:

a. Extra Expense

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

- (1) We will pay your Extra Expense to avoid or minimize the suspension of business and to continue "operations":
 - (a) At the described premises; or
 - (b) At replacement premises or at temporary locations, including:
 - (i) Relocation expenses;
 - (ii) Costs to equip and operate the replacement premises or temporary locations; and
 - (iii) Expediting expenses.
- (2) We will pay your Extra Expense to minimize the suspension of business if you cannot continue "operations".
- (3) We will pay your Extra Expense to:
 - (a) Repair or replace any property; or

- (b) Research, replace or restore the lost information on damaged valuable papers and records (other than accounts receivable); to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

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

b. Civil Authority

We will pay for the actual loss of Business Income you sustain and reasonable and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from a Covered Cause of Loss.

- (1) Coverage for Business Income will begin immediately or after the number of hours shown in the deductible item in the Declarations, whichever is later. Coverage will apply for a period of up to 30 consecutive days.
- (2) Coverage for Extra Expense will begin immediately after the time of that action for a period of up to 30 consecutive days.

c. Alterations and New Buildings

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

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period

of restoration" will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

d. Extended Business Income

(1) Business Income Other Than "Rental Value"

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

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

(b) Ends on the earlier of:

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

(ii) 90 consecutive days after the date determined in (1)(a) above.

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

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

(2) "Rental Value"

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

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

(b) Ends on the earlier of:

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

(ii) 90 consecutive days after the date determined in (2)(a) above.

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

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

e. Business Income From Dependent Property

We will pay for actual loss of Business Income you sustain due to the necessary suspension of your "operations" during the "period of restoration". The suspension must be caused by direct physical loss or damage at the premises of a "dependent property", caused by or resulting from a Covered Cause of Loss.

This Additional Coverage does not apply to "dependent property" for which you have more specific insurance either under this policy or another.

The most we will pay under this Additional Coverage is \$100,000 in any one occurrence.

Coverage applies for dependent properties located worldwide except within any country on which the United States government has imposed sanctions, embargoes or any similar prohibition. When a

revised Limit of Insurance is shown in the Declarations for this Additional Coverage, any increase over this \$100,000 amount of insurance will only apply to "dependent property" located in the United States of America (including its territories and possessions); Puerto Rico; and Canada.

f. Ordinance or Law - Increased "Period of Restoration"

If a Covered Cause of Loss occurs to property at the premises described in the Declarations, coverage is extended to include the amount of actual and necessary loss you sustain during the increased period of suspension of "operations" caused by or resulting from the enforcement of any ordinance or law that:

- (1) Regulates the construction, repair or replacement of any property;
- (2) Requires the tearing down or replacement of any parts of property not damaged by a Covered Cause of Loss; and
- (3) Is in force at the time of loss.

Under this coverage we will not pay for:

- (1) Any loss due to any ordinance or law that:
 - (a) You were required to comply with before the loss, even if the building was undamaged; and
 - (b) You failed to comply with.
- (2) 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".

The most we will pay for loss under this Additional Coverage is \$250,000 in any one occurrence.

4. Coverage Extensions-Unless otherwise indicated in the Declarations or by endorsement, the following Coverage Extensions apply:

The Additional Condition, Coinsurance, does not apply to these Coverage Extensions.

You may extend the insurance provided by this Coverage Form as follows:

a. Newly Acquired Locations

- (1) You may extend your Business Income Coverage to apply to property at any newly acquired location you purchase or lease.
- (2) The most we will pay for loss under this Extension is \$500,000 at each location.
- (3) Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
 - (a) This policy expires;
 - (b) 180 days expire after you acquire or begin to construct the property;
 - (c) You report the location to us; or
 - (d) The Business Income is more specifically insured.

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

b. Claim Data Expense

You may extend the insurance provided by this Coverage Form to apply to the reasonable expenses you incur in the preparing of claim data when we require it. This includes the cost of preparing income statements and other documentation to show the extent of Business Income loss. The most we will pay under this Extension is \$25,000 in any one occurrence. We will not pay for any expenses incurred, directed or billed by or payable to insurance adjusters or their associates or subsidiaries or any costs as provided in the LOSS CONDITION - Appraisal.

c. Research and Development Expenses

If a Covered Cause of Loss occurs to property at the premises described and for which a Business Income Limit of Insurance is shown in the Declarations, we will pay for an interruption of "research and development" activities even if the activities would not have produced income during the "period of restoration". We will pay for continuing fixed charges

and expenses, including ordinary payroll (unless otherwise excluded), directly attributable to such "research and development" activities.

Payments under this Coverage Extension will not increase the applicable Limit of Insurance.

B. EXCLUSIONS AND LIMITATIONS

The following exclusions and the exclusions and limitations contained in the Deluxe Property Coverage Form apply to coverage provided by this form. We will not pay for:

1. Any loss caused by or resulting from:
 - a. Damage or destruction of "finished stock"; or
 - b. The time required to reproduce "finished stock".
2. Any loss caused directly or indirectly by the failure of power or other utility service supplied to the described premises, however caused, if the failure occurs outside of a building.

But if the failure of power or other utility service results in loss or damage by a "specified causes of loss", we will pay for the loss or damage resulting from that "specified causes of loss".
3. Any loss caused by or resulting from direct physical loss or damage to growing crops; standing timber; or radio or television antennas (including microwave satellite dishes), and their lead-in wiring, masts or towers.
4. Any increase of loss caused by or resulting from:
 - a. Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - b. Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and the period of Extended Business Income.

5. Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
6. Any loss caused by or resulting from the Additional Coverages or Coverage Extensions contained in the Deluxe Property Coverage Form.
7. Any other consequential loss.

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.

Unless otherwise stated below, in the Declarations or in endorsements, the amounts payable for the Additional Coverages and Coverage Extensions are in addition to the Limits of Insurance.

Payments under the following Additional Coverages will not increase the applicable Limit of Insurance.

1. Alterations and New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

D. DEDUCTIBLE

When an hourly deductible is shown in the Declarations for Business Income Coverage:

We will pay for loss you sustain after the number of consecutive hours indicated in the Declarations following the direct physical loss or damage for each occurrence.

If an hourly deductible is not shown in the Declarations for Business Income Coverage, the deductible applicable to the Covered Cause of Loss will apply.

E. LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions - Deluxe and the Additional Conditions in the Deluxe Property Coverage Form:

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

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

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

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

2. Duties in the Event of Loss

In addition to those conditions in the Deluxe Property Coverage Form, you must resume all or part of your "operations" as quickly as possible if you intend to continue your business.

3. Limitation - Electronic Media And Records

We will not pay for any loss of Business Income caused by direct physical loss of or damage to Electronic Media and Records after the longer of:

- a. 60 consecutive days from the date of direct physical loss or damage; or
- b. The period, beginning with the date of direct physical loss or damage, necessary to repair, rebuild or replace, with reasonable speed and similar quality, other property at the described premises which suffered loss or damage in the same occurrence.

Electronic Media and Records are:

- (1) Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;
- (2) Data stored on such media; or
- (3) Programming records used for electronic data processing or electronically controlled equipment.

EXAMPLE NO. 1

A Covered Cause of Loss damages the described premises on June 1. It takes until September 1 to repair and replace the property at the premises, and until October 1 to restore the computer data

that was lost when the damage occurred. We will only pay for the Business Income loss sustained during the period June 1 - September 1. Loss during the period September 2 - October 1 is not covered.

EXAMPLE NO. 2

A Covered Cause of Loss results in the loss of data processing programming records on August 1. The records are replaced on October 15. We will only pay for the Business Income loss sustained during the period August 1 - September 29 (60 consecutive days). Loss during the period September 30 - October 15 is not covered.

4. Loss Determination

- a. The amount of Business Income loss will be determined based on:
 - (1) The Net Income of the business before the direct physical loss or damage occurred;
 - (2) The likely Net Income of the business if no physical loss or damage occurred, but not including any likely increase in Net Income attributable to an increase in the volume of business as a result of favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses.
 - (3) The operating expenses, including payroll expenses, to the extent insured necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.

- b. The amount of Extra Expense will be determined based on:
 - (1) All reasonable and necessary expenses that exceed the normal operating expenses that would have been incurred by "operations" during the

"period or restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

- (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (2) All reasonable and necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption of Operations

We will reduce the amount of your:

- (1) Business Income loss, to the extent you can resume your "operations" in whole or in part, by using:
 - (a) Damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere; or
 - (b) Any other available sources of materials or outlets for your products.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.
- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

5. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if:

- a. You have complied with all of the terms of this Coverage Part; and
- b. We have reached agreement with you on the amount of loss or an appraisal award has been made.

F. ADDITIONAL CONDITION

Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions - Deluxe and the Additional Conditions in the Deluxe Property Coverage Form.

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

1. The Coinsurance percentage shown for Business Income in the Declarations; times
2. The sum of:
 - (a) The Net Income (Net Profit or Loss before income taxes), and
 - (b) All operating expenses (except for deductions stated below),

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

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

1. Multiply the Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;
2. Divide the Limit of Insurance for the described premises by the figure determined in step 1; and
3. Multiply the total amount of the covered loss by the figure determined in step 2.

We will pay the amount determined in step 3 or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

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

1. Prepaid freight - outgoing;
2. Returns and allowances;
3. Discounts;
4. Bad debts;
5. Collection expenses;

6. Cost of raw stock and factory supplies consumed (including transportation charges);
7. Cost of merchandise sold (including transportation charges);
8. Cost of other supplies consumed (including transportation charges);
9. Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
10. Power, heat and refrigeration expenses that do not continue under contract (if form DX T3 61 is attached);
11. The amount of payroll expense excluded (when ordinary payroll is excluded or limited as stated in the Declarations); and
12. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion - not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

EXAMPLE No. 1 (Underinsurance):

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$400,000

The Coinsurance Percentage is: 50%

The Limit of Insurance is: \$150,000

The amount of loss is: \$ 80,000

Step 1: $\$400,000 \times 50\% = \$200,000$

(the minimum amount of insurance to meet your Coinsurance requirements)

Step 2: $\$150,000 / \$200,000 = .75$

Step 3: $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000 less any applicable deductible. The remaining \$20,000 is not covered.

EXAMPLE No. 2 (Adequate Insurance):

When: The Net Income and operating expenses for the 12 months following the inception, or last pre-

vious anniversary date, of this policy at the described premises would have been: \$400,000

The Coinsurance Percentage is: 50%

The Limit of Insurance is: \$200,000

The amount of loss is: \$ 80,000

Step 1: $\$400,000 \times 50\% = \$200,000$

(the minimum amount of insurance to meet your Coinsurance requirements)

Step 2: $\$200,000 / \$200,000 = 1$

Step 3: $\$80,000 \times 1 = \$80,000$

We will cover the \$80,000 loss less any applicable deductible. No penalty applies.

G. OPTIONAL COVERAGES

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

1. Maximum Period of Indemnity

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

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

(1) The amount of loss sustained during the 120 days immediately following the direct physical loss or damage less any applicable deductible; or

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

2. Monthly Limit of Indemnity

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

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

(1) The Limit of Insurance, multiplied by

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

EXAMPLE:

When: The Limit of Insurance
is: \$120,000
The fraction shown in the Declarations for this Optional Coverage is: 1/4

The most we will pay for loss in each period of 30 consecutive days is:
 $\$120,000 \times 1/4 = \$30,000$

If in this example, the actual amount of loss is:

| | |
|--------------|---------------|
| Days 1 - 30 | \$40,000 |
| Days 31 - 60 | 20,000 |
| Days 61 - 90 | <u>30,000</u> |
| | \$90,000 |

We will pay the following less any applicable deductible:

| | |
|--------------|---------------|
| Days 1 - 30 | \$30,000 |
| Days 31 - 60 | 20,000 |
| Days 61 - 90 | <u>30,000</u> |
| | \$80,000 |

The remaining \$10,000 is not covered.

3. Business Income Agreed Value**a. To activate this Optional Coverage:**

- (1) A Business Income Report/Work Sheet must be submitted to us and must show financial data for your "operations";
 - (a) During the 12 months prior to the date of the Work Sheet; and
 - (b) Estimated for the 12 months immediately following the inception of this Optional Coverage.
- (2) The Declarations must indicate that the Business Income Agreed Value Option applies. The Limit of Insurance should be at least equal to:
 - (a) The Coinsurance percentage shown in the Declarations; multiplied by
 - (b) The amount of Net Income and Operating Expenses for the following 12 months you report on the Work Sheet.

- b. The Additional Condition, Coinsurance, is suspended until:
 - (1) 12 months after the effective date of this Optional Coverage; or
 - (2) The expiration date of this policy; whichever occurs first.
- c. We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet:
 - (1) Within 12 months of the effective date of this Optional Coverage; or
 - (2) When you request a change in your Business Income Limit of Insurance.

H. DEFINITIONS

1. "Dependent Property" means property operated by others you depend on to:
 - a. Deliver materials or services to you, or to others for your account (Contributing Locations). With respect to Contributing Locations, services does not mean water, communication or power supply services;
 - b. Accept your products or services (Recipient Locations);
 - c. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or
 - d. Attract customers to your business (Leader Locations).
2. "Finished Stock" means stock you have manufactured.
"Finished Stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.
"Finished Stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.
3. "Operations" means:
 - a. Your business activities occurring at the described premises; and
 - b. The tenantability of the described premises, if coverage for Business Income including "Rental Value" or "Rental Value" applies.
4. "Period of restoration" means the period of time after direct physical loss or damage

caused by or resulting from a Covered Cause of Loss at the described premises or at the premises of a "dependent property" which:

- a. Begins immediately or after the number of hours shown in the deductible item in the Declarations, whichever is later; and
- b. Ends on the earlier of:
 - (1) The date when the property at the described premises or at the premises of a "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.

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

- a. Regulates the construction, use, repair, replacement or requires the tearing down of any property (except for the Ordinance or Law-Increased "Period of Restoration" Additional Coverage); or
- b. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

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

- 5. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and 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.
- 6. "Rental Value" means the:
 - a. Total anticipated rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, and
 - b. Amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be our obligations; and
 - c. Fair rental value of any portion of the described premises which is occupied by you.
- 7. "Research and development" means the development of new products and enhancements of existing products. "Research and development" does not mean the maintenance of existing products.

POLICY NUMBER: Y-630-1744M171-TIL-11

DELUXE PROPERTY
GENERAL PURPOSE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:
CAUSES OF LOSS - EQUIPMENT BREAKDOWN (DX T3 19)

VALUATION EXCEPTION: DELUXE PROPERTY COVERAGE PART VALUATION PROVISIONS
APPLY TO LOSS OR DAMAGE UNDER THE CAUSES OF LOSS EQUIPMENT BREAKDOWN
ENDORSEMENT, DX T3 19, EXCEPT AS FOLLOWS.

WE WILL DETERMINE THE VALUE OF COVERED EQUIPMENT THAT IS 25 YEARS OF AGE OR
OLDER AT ACTUAL CASH VALUE.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

PERSONAL PROPERTY OUTSIDE OF THE COVERAGE TERRITORY

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

The following are added to the Coverage Extensions in Section A.5.:

A. PERSONAL PROPERTY AT PREMISES OUTSIDE OF THE COVERAGE TERRITORY

1. The insurance that applies to Your Business Personal Property and Property of Others is extended to apply to loss or damage to such property occurring at premises located outside of the Coverage Territory, except within any country on which the United States government has imposed sanctions, embargoes or any similar prohibition.
2. This Extension does not apply to:
 - a. Property at an "exhibition";
 - b. Property at any installation site or in temporary storage awaiting installation;
 - c. Property in the care, custody or control of your sales representatives; or
 - d. Property in transit.
3. The most we will pay for loss or damage in any one occurrence under this Extension is the Limit of Insurance shown in the SCHEDULE of this endorsement for Personal Prop-

erty at Premises Outside of the Coverage Territory. This is additional insurance.

4. If loss or damage under this Extension is also covered under the Overseas Business Travel Coverage Extension in Section A.4.i. of the Deluxe Property Coverage Form, the most we will pay for such loss or damage is the higher of the Limits of Insurance applicable to the two Extensions.

B. PERSONAL PROPERTY IN TRANSIT OUTSIDE OF THE COVERAGE TERRITORY

1. The insurance provided for Personal Property in Transit is extended to apply worldwide, except within, or en route to or from, any country on which the United States government has imposed sanctions, embargoes or any similar prohibition.
2. The most we will pay for loss or damage in any one occurrence under this Extension is the Limit of Insurance shown in the SCHEDULE of this endorsement for Personal Property in Transit Outside of the Coverage Territory. This is additional insurance.

SCHEDULE

Limit of Insurance

Personal Property at Premises
Outside of the Coverage Territory:

\$ 50,000 unless a higher limit is shown: \$

Personal Property in Transit Outside
of the Coverage Territory:

\$ 25,000 unless a higher limit is shown: \$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

CONDOMINIUM ASSOCIATION COVERAGE PROVISIONS

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

The following changes apply only with respect to Condominium Association property:

1. Section **A.2.a. Building(s)** is deleted and replaced with the following:
 - a. **Building(s)** means the designated buildings or structures at the premises described in the Declarations, including:
 - (1) Completed additions;
 - (2) Fixtures, outside of individual units, including outdoor fixtures;
 - (3) Machinery and equipment permanently attached to the building;
 - (4) Personal property owned by you that is used to maintain or service buildings or structures or its grounds, including:
 - (a) Fire extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings;
 - (d) Lobby and hallway furnishings;
 - (e) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering that are not contained within individual units;
 - (f) Lawn maintenance and snow removal equipment;
 - (g) Alarm systems; and
 - (h) Personal property used for maintaining and servicing swimming pools and other recreational facilities on the premises; and
 - (5) If not covered by other insurance:
 - (a) Alterations and repairs to the buildings and structures; and
 - (b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the described premises,
- used for making alterations and repairs to the buildings and structures.
- (6) Any of the following types of property contained within a unit, regardless of ownership, if your Condominium Association Agreement requires you to insure it:
 - (a) Fixtures, improvements and alterations that are part of the buildings or structures; and
 - (b) Appliances, such as those used for refrigeration, ventilating, cooking, dishwashing, laundering, security and housekeeping.

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

2. Section **A.2.b. Your Business Personal Property** is deleted and replaced with the following:
 - b. **Your Business Personal Property** located in or on the designated buildings 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:
 - (1) Personal property owned by you or owned indivisibly by all unit-owners;
 - (2) Your interest in the labor, materials or services furnished or arranged by you on personal property of others; and
 - (3) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided under Personal Property of Others.

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

- 3.** The following conditions are added to the Loss Conditions in Section F.:

a. Unit-Owner's Insurance

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

b. Waiver of Rights of Recovery

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

CAUSES OF LOSS – EARTHQUAKE

This endorsement modifies insurance provided under the Deluxe Property Coverage Part.

A. COVERED CAUSES OF LOSS

When Causes of Loss-Earthquake is attached to the Deluxe Property Coverage Part, Covered Causes of Loss is revised to include the following as Covered Causes of Loss only for Covered Property at building number(s) shown in the Declarations, including if insured, personal property in the open:

1. Earthquake, meaning a shaking or trembling of the earth's crust, caused by underground volcanic or tectonic forces or by breaking or shifting of rock beneath the surface of the ground from natural causes.
2. Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.

All earthquake shocks or volcanic eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this policy will not reduce the 168-hour period. We will not pay for loss or damage caused by or resulting from earthquakes or volcanic eruptions which began before the effective date of this policy.

B. ADDITIONAL EXCLUSIONS AND LIMITATIONS

1. The following EXCLUSIONS are added as respects coverage provided by this endorsement:

We will not pay under this endorsement for loss or damage caused directly or indirectly by the following, regardless of any other cause or event that contributes concurrently or in any sequence to the loss:

- a. Fire,
- b. Explosion, or
- c. Mudslide or mudflow which is caused or precipitated by accumulation of water on or below ground.

2. The following LIMITATION is added as respects coverage provided by this endorsement:

We will not pay for loss or damage to exterior masonry veneer (except stucco) on wood frame walls caused by or resulting from Earthquake or Volcanic Eruption. The value of such veneer will not be included in the value of Covered Property or the amount of loss when applying the Deductible applicable to this endorsement.

This limitation does not apply if:

1. Less than 10% of the total outside wall area is faced with masonry veneer (excluding stucco); or
2. The Cause of Loss - Earthquake Masonry Veneer Coverage endorsement is attached to this policy.

C. UNDERGROUND PIPES, FLUES AND DRAINS

Covered Property is revised to include underground pipes, flues and drains when BUILDING coverage is provided and the building number is indicated in the Declarations.

D. DEDUCTIBLES

The following deductible provisions apply to the building number(s) shown in the Declarations:

1. If a percentage (%) is shown in the Declarations the following applies:

- a. In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2%, 5%, or 10% (as shown in the Declarations) of the value(s) of the property that has sustained loss or damage at each of the buildings shown in the Declarations. The value(s) to be used are those shown in the most recent Statement of Values on file with us. If there is no Statement of Values on file with us or the Covered Property is a building in the course of construction or Newly Acquired or Constructed Property, we will use the value(s) of the property at the time of loss that has sustained loss or damage.

This Deductible is calculated separately for, and applies separately to:

- (1) Each building, if two or more buildings sustain loss or damage;
 - (2) The building and to personal property in that building, if both sustain loss or damage;
 - (3) Personal property at each building, if personal property at two or more buildings sustains loss or damage;
 - (4) Personal property in the open; and
 - (5) Any other property insured under this Coverage Part.
- b. If both a percentage and dollar amount deductible are shown in the Declarations, one of the following also applies:
- (1) the least we will deduct in any one occurrence is the dollar amount shown in the Declarations; or
 - (2) the least we will deduct in any one occurrence at each premises location is the dollar amount shown in the Declarations.
- c. We will not pay for loss or damage until the amounts of loss or damage exceeds the deductibles. We will then pay the amount of loss or damage in excess of the deductibles, up to the applicable Limits of Insurance.
2. If a dollar amount is shown in the Declarations the following applies:
- a. We will not pay for loss or damage in any one occurrence until the total amount of loss or damage for all coverages exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limits of Insurance; or
 - b. We will not pay for loss or damage in any one occurrence at each premises location until the total amount of loss or damage for all coverages at each premises location exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles up to the applicable Limits of Insurance.

3. The following is applicable to:

BUSINESS INCOME COVERAGE FORMS

When an hourly deductible is stated in the Declarations the following is applicable to Business Income Coverage:

We will only pay for loss you sustain after the number of consecutive hours indicated in the Declarations after direct physical loss or damage caused by or resulting from Earthquake or Volcanic Eruption. We will then pay the amount of loss or damage in excess of the Deductible, up to the Limit of Insurance.

4. No Deductible applies to Extra Expense.

E. LIMITS OF INSURANCE

The most we will pay for loss caused by any earthquake or volcanic eruption is:

1. The Limit(s) of Insurance shown in the Declarations, even if the loss involves more than one coverage. Amounts payable under any Additional Coverage or Coverage Extensions do not increase the Limit(s) of Insurance.
2. The Limit(s) of Insurance in the Declarations that applies to any one occurrence subject to the Annual Aggregate Limit(s) for all losses occurring in any one policy year commencing with the inception or anniversary date of this endorsement, whichever is less.
3. If more than one Annual Aggregate Limit applies in any one occurrence, the most we will pay during the policy period is the largest of the Annual Aggregate limits shown.

- F. The most we will pay for loss or damage for the Newly Constructed or Acquired Property Coverage Extension under this endorsement is a total of \$100,000 in any one occurrence and in any one policy year.

- G. The "Period of Restoration" DEFINITION found in the BUSINESS INCOME COVERAGE FORMS is deleted as respects this endorsement and is replaced with the following:

"Period of Restoration" means the period of time that:

1. 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
2. Ends on the earlier of:

- a. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
- b. The date when business is resumed at a new permanent location.

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

- 1. Regulates the construction, use or repair or requires the tearing down of any property; or
- 2. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, de-

toxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

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

- H. Coverage provided by this endorsement also applies to the Additional Coverages–Pollutant Cleanup and Removal.

- I. **ADDITIONAL CONDITION - CANCELLATION**

"We" or "you" may cancel this endorsement as provided by the Common Policy Conditions–Deluxe without canceling the entire Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

CAUSES OF LOSS – BROAD FORM FLOOD

This endorsement modifies insurance provided under the Deluxe Property Coverage Part.

A. COVERED CAUSES OF LOSS

When Causes of Loss - Broad Form Flood is attached to the Deluxe Property Coverage Part, Covered Causes of Loss is revised to include "Flood" as a Covered Cause of Loss only for Covered Property at building number(s) shown in the Declarations, including if insured, personal property in the open. "Flood" means:

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. Release of water impounded by a dam;
3. Mudslide or mudflow;
4. Water under the ground surface pressing on, or flowing or seeping through:
 - a. Foundations, walls, floors or paved surfaces;
 - b. Basements, whether paved or not; or
 - c. Doors, windows or other openings.

B. ADDITIONAL EXCLUSIONS AND LIMITATIONS

1. The following EXCLUSIONS are added as respects coverage provided by this endorsement:

We will not pay under this endorsement for loss or damage caused directly or indirectly by the following, regardless of any other cause or event that contributes concurrently or in any sequence to the loss:

- a. Fire, explosion, or sprinkler leakage; or
 - b. Any earth movement, such as an earthquake, landslide or earth sinking, rising or shifting; except mudslide or mudflow which is caused or precipitated by accumulation of water on or below ground.
2. The following LIMITATION is added as respects coverage provided by this endorsement:

EXCESS OF LOSS LIMITATION

- a. The following Excess of Loss Limitation applies to Covered Property at all buildings shown in the Declarations and to all buildings subsequently endorsed to this policy situated in any type of Zone pre-fixed A or V.

We will pay only for the amount of loss in excess of the maximum amount of insurance permitted under the provisions of the National Flood Insurance Act of 1968 (or any subsequent amendment) applicable to the property to which the loss occurs. This provision applies whether or not you have purchased or maintained such insurance.

- b. This provision does not apply to loss which cannot be covered under provisions of the above Act or amendments. If we pay for loss subject to this provision, the benefit of any recovery or salvage on such loss is ours to the extent of our payment.
- c. The DEDUCTIBLE provisions below are in addition to any applicable Excess of Loss Limitation.

C. UNDERGROUND PIPES, FLUES AND DRAINS

Covered Property is revised to include underground pipes, flues and drains when BUILDING coverage is provided and the building number is indicated in the Declarations.

D. DEDUCTIBLE

1. When a dollar amount is shown in the Declarations the following applies:
 - a. We will not pay for loss or damage in any one occurrence until the total amount of loss or damage for all coverages exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limits of Insurance; or

- b. We will not pay for loss or damage in any one occurrence at each premises location until the total amount of loss or damage for all coverages at each premises location exceeds the Deductible shown in the Declarations. We will then pay the amounts of loss or damage in excess of the Deductibles up to the applicable Limits of Insurance.
2. The following is applicable to:
- BUSINESS INCOME COVERAGE FORMS**
- When an hourly deductible is stated in the Declarations the following is applicable to Business Income Coverage:
- We will only pay for loss you sustain after the number of consecutive hours indicated in the Declarations after direct physical loss or damage caused by or resulting from "Flood". We will then pay the amount of loss or damage in excess of the Deductible, up to the Limit of Insurance.
3. No Deductible applies to Extra Expense.

E. LIMITS OF INSURANCE

- The most we will pay for loss caused by any "Flood" is:
1. The Limit(s) of Insurance shown in the Declarations, even if the loss involves more than one coverage. Amounts payable under any Additional Coverage or Coverage Extensions do not increase the Limit(s) of Insurance.
 2. The Limit(s) of Insurance in the Declarations that applies to any one occurrence subject to the Annual Aggregate Limit(s) for all "Flood" losses occurring in any one policy year commencing with the inception or anniversary date of this endorsement, whichever is less.
 3. If more than one Annual Aggregate Limit is shown in the Declarations, the most we will pay during the policy period is the largest of the Annual Aggregate limits.

- F. The most we will pay for loss or damage covered under the Newly Constructed or Acquired Property Coverage Extension is a total of \$100,000 in any one occurrence and in any one policy year.
- G. Each loss by "Flood" shall constitute a single occurrence. A single occurrence means:
1. A period of continued rising or overflow of any river(s), stream(s) or any body of water and

- the subsidence of same within the banks of such river(s), stream(s) or bodies of water; or
- 2. Any one disturbance resulting in any tidal wave or series of tidal waves.

Should any time period referred to above extend beyond the expiration date of this policy and any loss commence prior to expiration, we will pay all such "Flood" losses occurring during such period as if such period fell entirely within the term of this policy. However, we will not pay for any loss or damage caused by "Flood" occurring before the effective date and time or commencing after the expiration date and time of this policy.

- H. The "Period of Restoration" DEFINITION found in the BUSINESS INCOME COVERAGE FORMS is deleted as respects this endorsement and is replaced with the following:

"Period of Restoration" means the period of time that:

1. 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
2. Ends on the earlier of:
 - a. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - b. The date when business is resumed at a new permanent location.

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

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

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

- I. Coverage provided by this endorsement also applies to the Additional Coverages - Pollutant Cleanup and Removal.

J. ADDITIONAL CONDITION - CANCELLATION

"We" or "you" may cancel this endorsement as provided by the Common Policy Conditions-Deluxe without canceling the entire Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

VACANCY RESTRICTION

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

The following Loss Condition is added:

Vacancy

a. Description of Terms

As used in this Vacancy Restriction, the term building and the term vacant mean the following:

- (1) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.
- (2) When this policy is issued to the owner of a building, building means the entire building. Such building is vacant when 70% or more of its square footage:
 - (a) Is not rented; or
 - (b) Is not used to conduct customary operations.
- (3) Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

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

- (1) We will not pay for any loss or damage caused by any of the following, even if they are Covered Causes of Loss:
 - (a) Vandalism;
 - (b) Sprinkler Leakage;
 - (c) Building Glass Breakage;
 - (d) Water Damages;
 - (e) Theft; or
 - (f) Attempted theft.
- (2) With respect to Covered Causes of Loss other than those listed in b.(1). above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

COINSURANCE – DIRECT DAMAGE

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

If a Coinsurance percentage is shown in the Declarations for Covered Property, the following condition applies when the loss or damage payable in any one occurrence is \$5,000 or more:

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

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

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

- (2) Divide the Limit of Insurance of the property by the figure determined in step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in step (2); and
- (4) Subtract the deductible from the figure determined in step (3).

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

CAUSES OF LOSS – EQUIPMENT BREAKDOWN

This endorsement modifies insurance provided under the Deluxe Property Coverage Part.

A. ADDITIONAL COVERED CAUSE OF LOSS – EQUIPMENT BREAKDOWN

Covered Causes of Loss and "specified causes of loss" are extended to include Equipment Breakdown, meaning a Breakdown to Covered Equipment as defined and limited in this endorsement.

1. Breakdown

a. Breakdown means:

- (1) Failure of pressure or vacuum equipment;
- (2) Mechanical failure, including rupture or bursting caused by centrifugal force; or
- (3) Electrical failure, including arcing; that causes physical damage to Covered Equipment and necessitates its repair or replacement.

b. Breakdown does not mean or include:

- (1) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
- (2) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- (3) Damage to any vacuum tube, gas tube, or brush;
- (4) Damage to any structure or foundation supporting the Covered Equipment or any of its parts;
- (5) The functioning of any safety or protective device; or
- (6) The cracking of any part on an internal combustion gas turbine exposed to the products of combustion.

c. If an initial Equipment Breakdown causes other Equipment Breakdowns, all will be considered one Equipment Breakdown. All Equipment Breakdowns that manifest themselves at the same time and are the direct result of the same cause will also

be considered one Equipment Breakdown.

2. Covered Equipment

a. Covered Equipment means equipment of a type listed in provision 2.b. below that is:

(1) At any of the following locations:

(a) At or within 1,000 feet of the described premises; or

(b) At any of the following locations, but only to the extent that coverage for direct physical loss or damage to Covered Property at such locations or for Business Income and/or Extra Expense resulting from direct physical loss or damage to property at such locations is otherwise specifically insured and limited under this Coverage Part:

(i) Newly acquired or constructed property locations, or within 1,000 feet of such locations;

(ii) Undescribed premises; or

(iii) "Dependent property" locations;

and

(2) (a) Owned or leased by you or operated under your control; or

(b) Owned or leased by, or operated under the control of others who own, lease or operate the undescribed premises or "dependent property" locations where the insurance provided under this Coverage Part applies;

and

(3) Not otherwise excluded under provision 2.c. below.

- b. Covered Equipment includes the following types of equipment:
 - (1) Equipment designed and built to operate under internal pressure or vacuum other than weight of contents;
 - (2) Electrical or mechanical equipment that is used in the generation, transmission or utilization of energy; and
 - (3) Fiber optic cable.
 - c. Covered Equipment does not mean or include any:
 - (1) Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;
 - (2) Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum;
 - (3) Insulating or refractory material;
 - (4) Non-metallic pressure or vacuum equipment, unless it is constructed and used in accordance with the American Society of Mechanical Engineers (A.S.M.E.) code or a Code that has been accepted by the National Board of Boiler and Pressure Vessel Inspectors;
 - (5) Catalyst;
 - (6) Pressure vessels and piping that are buried below ground and require the excavation of materials to inspect, remove, repair or replace;
 - (7) Structure, foundation, cabinet or compartment supporting or containing the Covered Equipment or part of the Covered Equipment including penstock, draft tube or well casing;
 - (8) Vehicle, aircraft, self-propelled equipment or floating vessel, including any equipment mounted on or used solely with any vehicle, aircraft, self-propelled equipment or floating vessel;
 - (9) Dragline, power shovel, excavation or construction equipment including any equipment mounted on or used solely with any dragline, power shovel, excavation or construction equipment;
 - (10) Elevator or escalator, but not excluding any electrical machine or apparatus mounted on or used with this equipment;
 - (11) Felt, wire, screen, mold, form, pattern, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;
 - (12) Astronomical telescope, cyclotron, nuclear reactor, particle accelerator, satellites and/or spacecraft (including satellite or spacecraft contents and/or their launch sites);
 - (13) Computer equipment or electronic data processing equipment unless used to control or operate other equipment that is Covered Equipment;
 - (14) Equipment or any part of such equipment manufactured by you for sale; or
 - (15) Equipment while in the due course of transit.
- B. EQUIPMENT BREAKDOWN COVERAGE EXTENSIONS**
1. Spoilage
 - a. Under the Deluxe Property Coverage Form, the insurance that applies to Your Business Personal Property and Personal Property of Others is extended to apply to direct physical loss or damage to such Covered Property that is:
 - (1) Maintained under controlled conditions for its preservation; and
 - (2) Susceptible to loss or damage if the controlled conditions change;

due to spoilage resulting from lack or excess of power, light, heat, steam or refrigeration that is caused solely by a Breakdown to Covered Equipment.

Insurance under this Coverage Extension includes the reasonable expense you incur to reduce or avert the spoilage loss or damage, but only to the extent the amount of loss otherwise payable under this Coverage Extension is reduced.
 - b. The most we will pay for loss or damage under this Coverage Extension arising

out of any one Equipment Breakdown is the Spoilage Limit of Insurance shown in the Schedule of this endorsement. This limit is part of and not in addition to the Limit of Insurance that applies to the lost or damaged Covered Property.

- c. We will not pay for any loss or damage under this Coverage Extension that results from your failure to use due diligence and dispatch and all reasonable means to protect the property from spoilage damage following a Breakdown to Covered Equipment.

2. Utility Services Property

- a. Subject to provision 2. b. below, Covered Equipment is extended to include equipment, wherever located within the Coverage Territory, that is:

- (1) Owned, operated or controlled by a local public or private utility or distributor that directly generates, transmits, distributes or provides utility services to the described premises; and
- (2) Used to supply water, communication or power services to the described premises.

- b. This Coverage Extension applies:

- (1) Only with respect to; and
- (2) Subject to the Limit(s) of Insurance that apply to;

the insurance, if any, otherwise provided under this Coverage Part for loss or damage caused by an interruption of power or other utility service supplied to the described premises caused by or resulting from a Covered Cause of Loss to the utility services equipment described in 2. a. above.

C. EQUIPMENT BREAKDOWN EXCLUSIONS

All of the Exclusions that apply to this Coverage Part apply to loss or damage under this endorsement, except as follows:

1. Under the Exclusions contained in Section B. of the Deluxe Property Coverage Form, Exclusions 2. a., 2. c. (5) and 2. e. do not apply.
2. The following additional Exclusions apply to the insurance provided by this endorsement:

We will not pay for loss or damage caused directly or indirectly by any of the following.

Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

- a. Lack or excess of power, light, heat, steam or refrigeration. But this Exclusion does not apply to:
 - (1) Business Income coverage or Extra Expense coverage; or
 - (2) The Spoilage Coverage Extension or Utility Services Property Coverage Extension;
- b. Hydrostatic, pneumatic or gas pressure testing of any boiler, fired vessel or electrical steam generator; or
- c. Insulation breakdown testing of any type of electrical or electronic equipment.

D. EQUIPMENT BREAKDOWN LIMITATIONS

All of the Limitations that apply to this Coverage Part apply to loss or damage under this endorsement, except as follows:

1. Under the Limitations contained in Section C. of the Deluxe Property Coverage Form, Limitations 1.a. and 1.b. do not apply.
2. The following additional Limitations apply to the insurance provided by this endorsement. These Limitations are included in, and do not increase the applicable Limit(s) of Insurance.

a. Ammonia Contamination Limitation

The most we will pay for loss or damage to property caused by ammonia contamination that directly results from a Breakdown to Covered Equipment is the Ammonia Contamination Limit of Insurance shown in the Schedule of this endorsement.

This limitation does not apply to Business Income coverage or to Extra Expense coverage.

b. Hazardous Substance Limitation

If as a direct result of a Breakdown to Covered Equipment, property is damaged, contaminated or polluted by a substance, other than ammonia, that is declared to be hazardous to health by a governmental agency, the Hazardous Substance Limit of Insurance shown in the Schedule of this endorsement is the most we will pay for:

- (1) Any additional expenses you incur to clean up, repair, replace or dispose

of any such property that is Covered Property under this Coverage Part; and

- (2) Any increase in loss of Business Income or Extra Expense due to the additional time required to clean up, repair, replace or dispose of the property, provided Business Income or Extra Expense loss resulting from damage to such property is otherwise insured against under this Coverage Part. Subject to the Hazardous Substance Limit of Insurance, the term "period of restoration", as used in the Business Income and/or Extra Expense insurance provided under this Coverage Part is extended to include this additional period of time.

As used in this Limitation, additional expenses and increase in loss mean expenses and loss incurred beyond the expenses and loss for which we would have been liable had no substance declared to be hazardous to health by a governmental agency been involved.

E. EQUIPMENT BREAKDOWN LIMITS OF INSURANCE

1. The insurance provided under this endorsement for loss or damage caused by or resulting from Equipment Breakdown is included in, and does not increase the Covered Property, Business Income, Extra Expense and other coverage Limits of Insurance that otherwise apply under this Coverage Part.
2. Payments under the Equipment Breakdown Coverage Extensions will not increase the applicable Limit(s) of Insurance.

F. EQUIPMENT BREAKDOWN DEDUCTIBLE

1. Unless otherwise indicated in the Schedule of this endorsement, the insurance provided under this endorsement for loss or damage caused by or resulting from Equipment Breakdown is subject to the deductibles that otherwise apply under this Coverage Part.
2. When one or more separate deductibles are indicated in the Schedule of this endorsement, each such deductible shall be applied separately to the applicable coverage for which the deductible is indicated, as follows:
 - a. **Dollar Deductible**

If a dollar deductible is shown in the Schedule, we will not pay for loss or

damage until the amount of loss or damage to which the deductible applies exceeds the applicable dollar deductible. We will then pay the amount of loss or damage in excess of the dollar deductible, up to the applicable Limit of Insurance.

b. **Time Period Deductible**

If a time period deductible is shown in the Schedule, we will not pay for any loss to which the deductible applies that occurs during the specified time period immediately following a Breakdown to Covered Equipment.

c. **Average Daily Value Deductible**

If an average daily value deductible is shown in the Schedule, this deductible will be calculated as follows:

- (1) For all of the described premises where you incur Business Income or Extra Expense loss due to a Breakdown to Covered Equipment, determine the total amount of Business Income that would have been earned or incurred by you during the "period of restoration" had no Breakdown to Covered Equipment occurred.
- (2) Divide the amount determined in paragraph (1) by the number of days the business would have been open during the "period of restoration". The result is the average daily value.
- (3) Multiply the average daily value in paragraph (2) by the Multiple of Average Daily Value shown in the Schedule. We will first subtract this deductible amount from any loss we would otherwise pay. We will then pay the amount of loss or damage in excess of the deductible, up to the applicable Limit of Insurance.

d. **Percentage of Loss Deductible**

If a deductible is expressed as a percentage of loss in the Schedule, we will not be liable for the indicated percentage of the gross amount of loss or damage insured under the applicable coverage.

G. EQUIPMENT BREAKDOWN ADDITIONAL CONDITION

The following Additional Condition applies to the insurance provided under this endorsement:

Suspension

If any Covered Equipment is found to be in, or exposed to a dangerous condition, any of our representatives may immediately suspend the insurance provided by this endorsement for loss or damage caused by or resulting from a Breakdown to that Covered Equipment. This can be done by delivering or mailing a notice of suspension to:

1. Your last known address; or

2. The address where the Covered Equipment is located.

Once suspended in this way, such insurance can only be reinstated by a written endorsement issued by us. If we suspend your insurance, you will get a pro rata refund of premium for that Covered Equipment. But the suspension will be effective even if we have not yet made or offered a refund.

EQUIPMENT BREAKDOWN SCHEDULE**Limits of Insurance:**

| | | |
|--------------------------|---|----|
| • Spoilage: | \$25,000 unless a higher amount is shown: | \$ |
| • Ammonia Contamination: | \$25,000 unless a higher amount is shown: | \$ |
| • Hazardous Substance: | \$25,000 unless a higher amount is shown: | \$ |

Deductible Exceptions: Deluxe Property Coverage Part Deductibles apply to loss or damage under this endorsement, except as follows:

DIRECT DAMAGE TO COVERED PROPERTY (INCLUDING SPOILAGE AND AMMONIA CONTAMINATION): \$10,000

BUSINESS INCOME AND EXTRA EXPENSE LOSS OR EXPENSE: 72 HOURS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

ORDINANCE OR LAW COVERAGE

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

- A.** The Additional Coverage, paragraph A.4.f., Ordinance or Law of the Deluxe Property Coverage Form is replaced by the terms and conditions of this endorsement for the premises locations and buildings shown in the Schedule below.
- B.** Each Coverage --- Coverage A, Coverage B and Coverage C --- applies only if that Coverage is chosen by entry in the below Schedule and then only with respect to the Building property identified for that Coverage in the Schedule.
- C.** We will not pay under this endorsement for 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."

D. Coverage

- 1.** Coverage A – Coverage For Loss to the Undamaged Portion of the Building.

If a Covered Cause of Loss occurs to covered Building property, we will pay under Coverage A for the loss in value of the undamaged portion of the building as a consequence of enforcement of any ordinance or law that:

- a.** Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss;
- b.** Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- c.** Is in force at the time of loss.

If indicated by an "x" in the Schedule below, Coverage A applies and is included in the Limit of Insurance shown in the Declarations applicable to that covered Building property. Coverage A does not increase the Limit of Insurance.

- 2.** Coverage B--Demolition Cost Coverage.

If a Covered Cause of Loss occurs to covered Building property, we will pay the cost to demolish and clear the site of undamaged parts of the property caused by enforcement of building, zoning or land use ordinance or law.

The COINSURANCE-DIRECT DAMAGE endorsement, if attached to this policy, does not apply to Demolition Cost coverage.

- 3.** Coverage C-Increased Cost of Construction Coverage

a. If a Covered Cause of Loss occurs to the covered Building property, we will pay for the increased cost to:

- (1)** Repair or reconstruct damaged portions of that Building property; and/or
- (2)** Reconstruct or remodel undamaged portions of that Building property, whether or not demolition is required; when the increased cost is a consequence of enforcement of building, zoning or land use ordinance or law.

However:

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

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

The COINSURANCE-DIRECT DAMAGE endorsement, if attached to this policy, does not apply to Increased Cost of Construction Coverage.

- b.** When covered Building property is damaged or destroyed by a Covered Cause of

Loss and Coverage C applies to that property in accordance with 3.a. above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in 3.a.:

- (1) The cost of excavations, grading, backfilling and filling;
- (2) Pilings; and
- (3) Underground pipes, flues and drains.

The items listed in b.(1) through b.(3) above are deleted from Property and Costs Not Covered, but only with respect to the coverage described in this provision, 3.b.

E. Loss Payment

1. When Coverage A applies, loss to the building, including loss in value of the undamaged portion of the building due to enforcement of an ordinance or law, will be determined as follows:
 - a. If Replacement Cost valuation applies and the property is repaired or replaced, on the same or another premises, we will not pay more than the lesser of:
 - (1) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (2) The Limit of Insurance shown in the Declarations as applicable to the covered Building property.
 - b. If Replacement Cost valuation applies and property is not repaired or replaced, or if Replacement Cost valuation does not apply, we will not pay more than the lesser of:
 - (1) The actual cash value of the building at the time of loss; or
 - (2) The Limit of Insurance shown in the Declarations as applicable to the covered Building property.
2. Unless paragraph E.4. applies, loss payment under Coverage B-Demolition Cost Coverage will be determined as follows:
 - We will not pay more than the lesser of the following:
 - a. The amount you actually spend to demolish and clear the site of the described premises; or
 - b. The applicable Limit of Insurance shown for Coverage B in the Schedule below.
 3. Unless paragraph E.4. applies, loss payment under Coverage C-Increased Cost of Construction Coverage will be determined as follows:
 - a. We will not pay under Coverage C:
 - (1) Until the property is actually repaired or replaced, at the same or another premises; and
 - (2) 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 premises, or if you elect to rebuild at another premises, the most we will pay under Coverage C is the lesser of:
 - (1) The increased cost of construction at the same premises; or
 - (2) The applicable Limit of Insurance shown for Coverage C in the Schedule below.
 - c. If the ordinance or law requires relocation to another premises, the most we will pay under Coverage C is the lesser of:
 - (1) The increased cost of construction at the new premises; or
 - (2) The applicable Limit of Insurance shown for Coverage C in the Schedule below.
 4. If a Combined Limit of Insurance is shown for Coverages B and C in the Schedule below, paragraphs E.2. and E.3. of this endorsement do not apply with respect to the Building property that is subject to the Combined Limit, and the following loss payment provisions apply instead:

The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost of Construction, is the Combined Limit of Insurance shown for Cov-

erages B and C in the Schedule below. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

- a. For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
- b. With respect to the Increased Cost of construction:
 - (1) We will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced, at the same or another premises; and
 - (b) 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.

(2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.

(3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

F. The terms of this endorsement apply separately to each building to which this endorsement applies.

G. Under this endorsement we will not pay for loss due to any ordinance or law that:

- 1. You were required to comply with before the loss, even if the building was undamaged; and
- 2. You failed to comply with.

H. SCHEDULE

| Prem. No. | Bldg. No. | Coverage A Loss to the Undamaged Portion of the Building | Coverage B Demolition Cost Limit of Insurance | Coverage C Increased Cost of Construction Limit of Insurance | Coverage B and C Combined Limit of Insurance |
|--------------|--------------|--|--|--|--|
| 1 | 1 | | \$ | \$ | \$ 5,000,000 |
| 2 | 2 | | | | 5,000,000 |
| 3 | 3 | | | | 5,000,000 |
| 4 | 4 | | | | 5,000,000 |
| 5 | 5 | | | | 5,000,000 |
| 6 | 6 | | | | 5,000,000 |

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

UTILITY SERVICES—DIRECT DAMAGE

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE FORM

A. Coverage

If indicated in the Declarations we will pay for loss or damage to Covered Property at the described premises caused by the interruption of service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the following property, not on the described premises, supplying the following services if indicated in the Declarations:

1. **Water Supply Services**, meaning the following types of property supplying water to the described premises:
 - a. Pumping stations; and
 - b. Water mains.
2. **Communication Supply Services**, meaning the following types of property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:
 - a. Communication transmission lines, including optic fiber transmission lines;
 - b. Coaxial cables; and
 - c. Microwave radio relays except satellites.

Coverage does not include loss caused by or resulting from loss or damage to overhead

transmission lines unless indicated in the Declarations.

3. **Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;
- c. Substations;
- d. Transformers; and
- e. Transmission lines.

Coverage does not include loss caused by or resulting from loss or damage to overhead transmission lines unless indicated in the Declarations.

B. Deductible

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

C. Limits of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable utility services Limit of Insurance stated in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

UTILITY SERVICES — TIME ELEMENT

This endorsement modifies insurance provided under the following:

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

A. Coverage

If indicated in the Declarations we will pay for:

1. Loss of Business Income; or
2. Loss of Extra Expense

at the described premises caused by the interruption of service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the following property, located outside of a building described in the Declarations, supplying the following services if indicated in the Declarations:

1. **Water Supply Services**, meaning the following types of property supplying water to the described premises:
 - a. Pumping stations; and
 - b. Water mains.
2. **Communication Supply Services**, meaning the following types of property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:
 - a. Communication transmission lines, including optic fiber transmission lines;
 - b. Coaxial cables; and
 - c. Microwave radio relays except satellites.

Coverage does not include loss caused by or resulting from loss or damage to overhead

transmission lines unless indicated in the Declarations.

3. **Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:
 - a. Utility generating plants;
 - b. Switching stations;
 - c. Substations;
 - d. Transformers; and
 - e. Transmission lines.

Coverage does not include loss caused by or resulting from loss or damage to overhead transmission lines unless indicated in the Declarations.

B. Deductible

We will only pay for loss you sustain after the first number of consecutive hours indicated in the Declarations following the direct physical loss or damage to the type of property located outside of a building at a location described in the Declarations to which this endorsement applies.

C. Limits of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable utility services Limit of Insurance stated in the Declarations.

- D. The ADDITIONAL CONDITION-Coincurrence (if applicable) does not apply to this endorsement.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TERRORISM RISK INSURANCE ACT OF 2002 DISCLOSURE

This endorsement applies to the insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

On December 26, 2007, the President of the United States signed into law amendments to the Terrorism Risk Insurance Act of 2002 (the "Act"), which, among other things, extend the Act and expand its scope. The Act establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in the Act) caused by "acts of terrorism". An "act of terrorism" is defined in Section 102(l) of the Act to mean any act that is certified by the Secretary of the Treasury – in concurrence with the Secretary of State and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of 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 Insured Losses is 85% of the amount of Insured

Losses in excess of each Insurer's statutorily established deductible, subject to the "Program Trigger", (as defined in the Act). In no event, however, will the federal government or any Insurer be required to pay any portion of the amount of aggregate Insured Losses occurring in any one year that exceeds \$100,000,000,000, provided that such Insurer has met its deductible. If aggregate Insured Losses exceed \$100,000,000,000 in any one year, your coverage may therefore be reduced.

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

- 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).

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.**DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT****FUNGUS, WET ROT OR DRY ROT AND OTHER
CAUSES OF LOSS CHANGES**

This endorsement modifies insurance provided under the Deluxe Property Coverage Part.

A. SCHEDULE**Limited "Fungus", Wet Dry or Dry Rot Coverage:****Direct Damage – Increased Limit of Insurance \$****Business Income/Extra Expense – Increased Number of Days**

- B.** The EXCLUSIONS contained in Section **B.** of the Deluxe Property Coverage Form are amended as follows. These changes apply to all coverages under the Deluxe Property Coverage Part that are subject to these exclusions.

1. The following exclusion is added to Section **B.1.:**

"Fungus", Wet Rot or Dry Rot

- a. We will not pay for loss or damage, or any increase in the amount of loss or damage, caused directly or indirectly by or resulting from the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot.

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

This exclusion does not apply:

- (1) When "fungus", wet rot or dry rot results from fire or lightning; or
- (2) To the extent that coverage is provided in the Limited "Fungus", Wet Rot or Dry Rot Coverage in **b.** below with respect to loss or damage by a cause of loss other than fire or lightning.

- b. Limited "Fungus", Wet Rot or Dry Rot Coverage

- (1) The coverage described in **b.(2)** and **b.(3)** below only applies when the "fungus", wet rot or dry rot is the result of a "specified cause 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 the "specified cause of loss".

- (2) Limited "Fungus", Wet Rot or Dry Rot Coverage – Direct Damage

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

- (i) The cost of removal of the "fungus", wet rot or dry rot;
- (ii) 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

- (iii) 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.

- (b) The coverage described in **(2)(a)** above is limited to \$15,000 unless an Increased Limit of Insurance is indicated in the Schedule of this endorsement for Limited "Fungus", Wet Rot or Dry Rot Coverage – Direct Damage. Regardless of the number of claims,

DELUXE PROPERTY

this limit is the most we will pay for the total of all loss or damage under this coverage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) which take place in a 12 month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet rot or dry rot, we will not pay more than a total of this annual limit even if the "fungus", wet rot or dry rot continues to be present or active, or recurs, in a later policy period.

- (c) The coverage provided under this Limited "Fungus", Wet Rot or Dry Rot Coverage – Direct Damage 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.
 - (d) 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 Limited "Fungus", Wet Rot or Dry Rot Coverage – Direct Damage, 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 Limited "Fungus", Wet Rot or Dry Rot Coverage – Direct Damage.
- (3) Limited "Fungus", Wet Rot or Dry Rot Coverage – Business Income and Extra Expense
- The following Limited "Fungus", Wet Rot or Dry Rot Coverage provisions for Business Income and Extra Expense apply only if Business Income and/or Extra Expense coverage ap-

plies to the described premises and only if the suspension of "operations" satisfies all of the terms of the applicable Business Income and/or Extra Expense coverage:

- (a) If the loss which results in the "fungus", wet rot or dry rot does not in itself necessitate a suspension of "operations", but such suspension of "operations" is necessary due to loss or damage to property at the described premises caused by "fungus", wet rot or dry rot, then our payment for Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
- (b) If a covered suspension of "operations" is caused by loss or damage at the described premises by other than "fungus", wet rot or dry rot, but remediation of "fungus", wet rot or dry rot prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay, regardless of when such a delay occurs during the "period of restoration", but such coverage is limited to 30 days. The days need not be consecutive.

When an Increased Number of Days is indicated in the Schedule of this endorsement for Limited "Fungus", Wet Rot or Dry Rot Coverage – Business Income and Extra Expense, the "30 days" in paragraphs (3)(a) and (3)(b) above is deleted and replaced by the number of days indicated in the Schedule.

The coverage provided under this Limited "Fungus", Wet Rot or Dry Rot Coverage – Business Income and Extra Expense is included in, and does not increase the applicable Business Income and/or Extra Expense Limit of Insurance.

- (4) The terms of this Limited "Fungus", Wet Rot or Dry Rot Coverage do not

DELUXE PROPERTY

- increase or reduce the coverage provided under the Water Damage, Other Liquids, Powder or Molten Material Damage Coverage Extension or the coverage provided for collapse of buildings or structures under the Collapse of Buildings exclusion.
- 2.** The exclusions contained in Section **B.2.** are amended as follows:
- a.** Under exclusion **B.2.c.(2)**, reference to fungus is deleted.
 - b.** The following exclusion is added:

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

 - (1)** Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor that occurs over a period of 14 days or more; or
 - (2)** Water, other liquids, or powders that leak or flow from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
 - (a)** You do your best to maintain heat in the building or structure; or
 - (b)** You drain the equipment and shut off the supply if the heat is not maintained.
- C.** The following is added to the LIMITATIONS contained in Section **C.** of the Deluxe Property Coverage Form. This change applies to all coverages under the Deluxe Property Coverage Part that are subject to these limitations:
- We will not pay for loss of or damage to, or any loss that is a consequence of loss or damage to the interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
- a.** 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
- b.** The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- Any portion of a building or structure that is within the exterior-facing surface material of a building or structure shall constitute the interior of that building or structure.
- D.** The DEFINITIONS contained in Section **I.** of the Deluxe Property Coverage Form are amended as follows. These definition changes apply wherever such defined terms are used in the Deluxe Property Coverage Part.
1. The definition of "Specified Causes of Loss" is deleted and replaced by the following:

"Specified Causes of Loss" means the following: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects as limited below; weight of snow, ice or sleet; and water damage as defined below; all only as otherwise insured against in this Coverage Part.

 - 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 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. Any portion of a building or structure that is within the exterior-facing surface material of a building or structure shall constitute the interior of that building or structure.
 - b.** Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.
- 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 policy, "specified causes of loss" also includes such cause of loss, but

DELUXE PROPERTY

only to the extent such cause of loss is insured against under this Coverage Part.

2. The following definition is added:

"Fungus" means any type or form of fungus, including but not limited to mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

E. Under:

1. The Ordinance or Law Coverage in Section **A.4.f.** of the Deluxe Property Coverage Form;
2. Ordinance or Law Coverage endorsement DX T3 39;
3. The Ordinance or Law – Increased "Period of Restoration" Additional Coverage in Section **A.3.f.** of the Deluxe Business Income Coverage Form (And Extra Expense) and the Deluxe Business Income Coverage Form (Without Extra Expense);
4. The Ordinance or Law – Increased "Period of Restoration" Additional Coverage Extension

in Section **A.3.d.** of the Deluxe Extra Expense Coverage Form; and

5. Any other Ordinance or Law coverage or Ordinance or Law Increased "Period of Restoration" coverage provided under this Coverage Part;

the following exclusion is added:

This coverage does not apply to:

- a. Loss caused by or resulting from the enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot; or
- b. 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 "fungus", wet rot or dry rot.

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.

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:

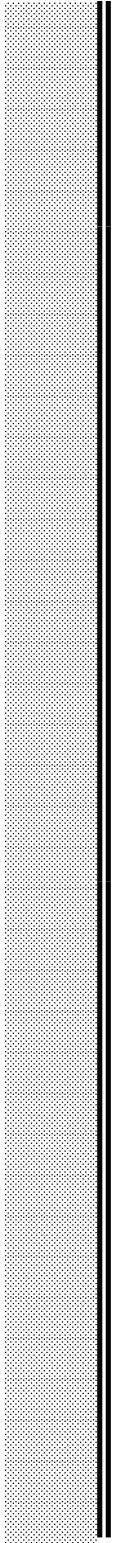
The DEDUCTIBLE provisions of this policy continue to apply. But in no event will the total of all applicable deductible amounts applied in any one occurrence of "electronic vandalism" be less than \$1,000.

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.: Y-630-1744M171-TIL-11
ISSUE DATE: 04-29-11**

INSURING COMPANY:

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

DECLARATIONS PERIOD: From 05-01-11 to 05-01-12 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: NONE

3. FORM OF BUSINESS: CONDOMINIUM ASSOCIATION

**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: Y-630-1744M171-TIL-11**

This Schedule applies to the Declarations for the period of 05-01-11 to 05-01-12

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 LOB | | \$238 \$250 | | |
| 1/ 1 PARKING - PRIVATE PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | | |
| 001 | 46622 | PREM/OPS | A | 134,000 | 47.442 | 6,357 |
| 1/ 1 SWIMMING POOLS - NOC PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | | |
| 002 | 48925 EACH | PREM/OPS | T SWIMMING POOL | 1 | 305.302 | 305 |
| 1/ 1 CONDOMINIUMS - RESIDENTIAL - (ASSOCIATION RISK ONLY) PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | | |
| 003 | 62003 | PREM/OPS | U | 88 | 27.955 | 2,460 |
| 2/ 2 CONDOMINIUMS - RESIDENTIAL - (ASSOCIATION RISK ONLY) PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | | |
| 004 | 62003 | PREM/OPS | U | 88 | 27.955 | 2,460 |
| 3/ 3 CONDOMINIUMS - RESIDENTIAL - (ASSOCIATION RISK ONLY) PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | | |
| 005 | 62003 | PREM/OPS | U | 152 | 27.955 | 4,249 |

*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.

DECLARATIONS PREMIUM SCHEDULE**POLICY NUMBER: Y-630-1744M171-TIL-11**

This Schedule applies to the Declarations for the period of 05-01-11 to 05-01-12

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 |
|---|---------------------|--------------------------------|----------|------------------------------|-------|--------------------|
| 5/ 5 CONDOMINIUMS - RESIDENTIAL - (ASSOCIATION RISK ONLY) PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | | |
| 006 | | 62003 | PREM/OPS | U | 88 | 27.955 |
| 6/ 6 CONDOMINIUMS - RESIDENTIAL - (ASSOCIATION RISK ONLY) PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT. | | | | | | |
| 007 | | 62003 | PREM/OPS | U | 88 | 27.955 |
| COVERAGE PART TOTAL | | | | | | 20,751 |

*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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COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

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

SECTION I – COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

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

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

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

b. Contractual Liability

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

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

c. Liquor Liability

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

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

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

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

d. Workers' Compensation And Similar Laws

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

e. Employer's Liability

"Bodily injury" to:

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

This exclusion applies:

- (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

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- 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".

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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".

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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

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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

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- 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.

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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 byyou, 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 **C**because 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

COMMERCIAL GENERAL LIABILITY

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-

COMMERCIAL GENERAL LIABILITY

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 website 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

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- 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

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- 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;
- 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, quality, durability, performance or use of "your work", and
- (2)** The providing of or failure to provide warnings or instructions.

COMMERCIAL GENERAL LIABILITY

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".

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - CONDOMINIUM UNIT OWNERS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

WHO IS AN INSURED (Section II) is amended to include as an insured each individual unit owner of the insured condominium, but only with respect to liability arising out of the ownership, maintenance or repair of that portion of the premises which is not reserved for that unit owner's exclusive use or occupancy.

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:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

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

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OTHER INSURANCE – ADDITIONAL INSUREDS

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.

WEB XTEND LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

Paragraph **o. Personal And Advertising Injury**, Part **2. Exclusions of SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is deleted and replaced by the following:

o. Personal Injury, Advertising Injury and Web Site Injury

"Bodily injury" arising out of "personal injury", "advertising injury" or "web site injury".

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY (SECTION I – COVERAGES) is deleted in its entirety and replaced by the following:

COVERAGE B. PERSONAL INJURY, ADVERTISING INJURY AND WEB SITE INJURY LIABILITY

1. Insuring Agreement.

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal injury", "advertising injury" or "web site 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 injury", "advertising injury", or "web site injury" to which this insurance does not apply. We may at our discretion investigate any "occurrence" or 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 Coverage **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:

- (1) "Personal injury" caused by an offense arising out of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you;
- (2) "Advertising injury" caused by an offense committed in the course of advertising your goods, products or services; or
- (3) "Web site injury" caused by an offense committed in the course of the visual or audio presentation of material on "your web site" or in the numerical expression of computer code used to enable "your web site";

but only if the offense was committed in the "coverage territory" during the policy period.

With respect to subparagraph **b. (1)** above, bulletins, financial or annual reports, or newsletters that are not published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters will not be considered publishing.

2. Exclusions.

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal injury", "advertising injury" or "web site 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 injury", "advertising injury" or "web site injury".

b. Material Published With Knowledge Of Falsity

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

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c. Material Published Prior To Policy Period

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

d. Criminal Acts

"Personal injury", "advertising injury" or "web site injury" arising out of a criminal act committed by or with the consent of the insured.

e. Contractual Liability

"Personal injury", "advertising injury" or "web site injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to:

(1) "Personal injury" liability assumed in a contract or agreement that is an "insured contract", provided the "personal injury" arises out of an offense committed 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 "personal injury" 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; or

(2) "Personal injury", "advertising injury" or "web site injury" that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Advertising injury" or "web site injury" arising out of a breach of contract.

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

"Advertising injury" or "web site injury" arising out of the failure of goods, products or services to conform with any statement of quality

or performance made in the course of advertising your goods, products or services.

h. Wrong Description Of Prices

"Advertising injury" or "web site injury" arising out of the wrong description of the price of goods, products or services.

i. Insureds In Media And Internet Type Businesses

"Personal injury", "advertising injury" or "web site 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 a., b. and c. of the "personal injury" definition under **SECTION V – DEFINITIONS** of this endorsement.

For the purposes of this exclusion, bulletins, financial or annual reports, or newsletters that are not published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters will not be considered publishing.

j. Electronic Chatrooms Or Bulletin Boards

"Personal injury", "advertising injury" or "web site injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

k. Unauthorized Use Of Another's Name Or Product

"Personal injury", "advertising injury" or "web site 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 activities that mislead another's potential customers.

l. Pollution

"Personal injury", "advertising injury" or "web site injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

m. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or "suit" by or on behalf of a governmental authority 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".

n. Dishonest, Fraudulent Or Malicious Acts

"Web site injury" arising out of dishonest, fraudulent, criminal or malicious acts, errors or omissions committed by any insured, or by anyone for whom the insured is legally responsible, whether acting alone or with others.

o. Web Site Intellectual Property

"Web site injury" committed by any insured whose business is providing access to intellectual property of others via "your web site".

p. Employment-Related Practices

"Web site 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 p.(1)(a)(b) or (c) above is directed.

This exclusion applies:

- (i) Whether the insured may be held liable as an employer or in any other capacity; and

- (ii) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B (Section I – Coverages) is amended as follows:

1. Paragraph 2.d. is deleted and replaced by the following:
 - 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;
2. The third sentence of Paragraph 2. is deleted and replaced by the following:
Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability and Paragraph 2.e.(1) of Section I – Coverage B – Personal Injury, Advertising Injury And Web Site Injury Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage", or damages for "personal injury", and will not reduce the limits of insurance.

SECTION II – WHO IS AN INSURED

The introductory sentence of paragraph 2. a. (1) Section II – Who Is An Insured is deleted and replaced by the following:

2. a. (1) "Bodily injury", "personal injury" or "web site injury":

Section II – Who Is An Insured, paragraph 4. c., is deleted and replaced by the following:

4. c. Coverage B does not apply to "personal injury", "advertising injury" or "web site injury" arising out of an offense committed before you acquired or formed the organization.

SECTION III – LIMITS OF INSURANCE

SECTION III – Limits Of Insurance, paragraph 4, is deleted and replaced by the following:

4. Subject to 2. above, the Personal, Advertising and Web Site Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal injury", "advertising injury" and all "web site injury" sustained by any one person or organization.

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SECTION V – DEFINITIONS

ADVERTISEMENT

The definition of "**Advertisement**" (**SECTION V – DEFINITIONS**) is deleted in its entirety.

COVERAGE TERRITORY

The definition of "**Coverage Territory**" (**SECTION V – DEFINITIONS**) is deleted in its entirety and replaced by the following:

- 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 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 who is away for a short time on your business; or
 - (3) "Personal injury", "advertising injury", and "web site injury" offenses that take place through the Internet or similar electronic means of communication; and

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.

INSURED CONTRACT

The first paragraph of part f. of the definition of "**Insured Contract**" (**SECTION V – DEFINITIONS**) is deleted and replaced by the following:

- 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.

PERSONAL AND ADVERTISING INJURY

The definition of "**Personal and advertising injury**" (**SECTION V – DEFINITIONS**) is deleted in its entirety and replaced by the following definitions of "advertising injury" and "personal injury":

"Advertising injury" means injury, arising out of one or more of the following offenses:

- a. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that claim is made or "suit" is brought by a person or organization that claims to have been slandered or libeled, or whose goods, products or services have allegedly been disparaged;
- b. Oral, written or electronic publication of material that appropriates a person's likeness, unreasonably places a person in a false light or gives unreasonable publicity to a person's private life; or
- c. Infringement of copyright, title or slogan, provided that claim is made or "suit" is brought by a person or organization claiming ownership of such copyright, title or slogan.

"Personal injury" means injury, other than "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 by or on behalf of its owner, landlord or lessor, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is performed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;
- d. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that claim is made or "suit" is brought by a person or organization that claims to have been slandered or libeled, or whose goods, products or services have allegedly been disparaged; or
- e. Oral, written or electronic publication of material that appropriates a person's likeness, unreasonably places a person in a false light or gives unreasonable publicity to a person's private life.

SUIT

The definition of "**Suit**" (**SECTION V – DEFINITIONS**) is deleted in its entirety and replaced by the following:

"Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal injury", "advertising injury" or "web site injury" to

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which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

The following definitions are added to **SECTION V – DEFINITIONS**

WEB SITE INJURY

"Web site injury" means injury, other than "personal injury" or "advertising injury", arising out of one or more of the following offenses:

- a. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that claim is made or "suit" is brought by a person or organization that claims to have been slandered or libeled, or

whose goods, products or services have allegedly been disparaged;

- b. Oral, written or electronic publication of material that appropriates a person's likeness, unreasonably places a person in a false light or gives unreasonable publicity to a person's private life;
- c. Oral, written or electronic publication of material that violates a person's right of publicity, provided that claim is made or "suit" is brought by the person claiming rights of publicity; or
- d. Infringement of copyright, title or slogan, provided that claim is made or "suit" is brought by a person or organization claiming ownership of such copyright, title or slogan.

YOUR WEB SITE

"Your web site" means all computer files and data which may be accessed via the Internet using a Universal Resource Locator that includes any domain name owned by or assigned to you.

COMMERCIAL GENERAL LIABILITY

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.

INTERNATIONAL XTEND ENDORSEMENT FOR SERVICE 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.

- A. Broadened Named Insured
- B. Blanket Additional Insured – Broad Form Vendors
- C. Limited Worldwide Liability Coverage – Indemnity Basis
- D. Damage To Premises Rented To You
 - Perils of fire, explosion, lightning, smoke, water
 - Limit increased to \$300,000
- E. Blanket Waiver of Subrogation
- F. Blanket Additional Insured – Owners, Managers or Lessors of Premises
- G. Blanket Additional Insured – Lessors of Leased Equipment
- H. Incidental Medical Malpractice
- I. Personal Injury – Assumed by Contract
- J. Amended Bodily Injury Definition
- K. Bodily Injury to Co-Employees and Co-Volunteer Workers
- L. Aircraft Chartered with Crew
- M. Non-Owned Watercraft – Increased from 25 feet to 50 feet
- N. Increased Supplementary Payments
 - Cost of bail bonds increased to \$2,500
 - Loss of earnings increased to \$500 per day
- O. Knowledge and Notice of Occurrence or Offense
- P. Unintentional Omission
- Q. Reasonable Force – Bodily Injury or Property Damage
- R. Transportation Expenses For Repatriation or Relocation of Injured Or Sick Employees

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

COMMERCIAL GENERAL LIABILITY

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:

- 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 re-labeled or used as a container, part or in-

gredient 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. LIMITED WORLDWIDE LIABILITY COVERAGE – INDEMNITY BASIS

- 1. The following replaces the definition of "coverage territory" in the **DEFINITIONS** Section:

"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:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place; or
 - (2) The "personal injury" or "advertising injury" is caused by an offense committed;

in the course of travel or transportation between any places included in Paragraph a. above; or

- c. All other parts of the world except the "prohibited area", but only if the injury or damage arises out of:

- (1) Goods or products made, sold, handled or distributed by you, or services provided by you to your customers or clients, in the territory described in Paragraph a. above;
- (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
- (3) "Personal injury" or "advertising injury" offenses committed through the Internet or similar electronic means of communication;

provided that the insured's responsibility to pay damages is determined in a "suit" on the merits brought anywhere in the world except

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the "prohibited area", or in a settlement we agree to.

With respect to "occurrences" that take place, or "personal injury" or "advertising injury" offenses committed within the territory described in Paragraph **c.** above, the following conditions apply:

- (i) This insurance is excess over any valid and collectible other insurance available to the insured, whether primary, excess, contingent or on any other basis.
- (ii) This insurance is not a substitute for "compulsory admitted insurance" in any country or jurisdiction included in Paragraph **c.** above, regardless of whether this insurance would qualify as "compulsory admitted insurance" in such country or jurisdiction or is accepted by the appropriate authorities as proof of "compulsory admitted insurance".

You agree to maintain "compulsory admitted insurance" at the limits required by law. Your failure to do so will not invalidate the coverage provided for such "occurrences" or offenses, but we will only be liable to the same extent we would have been liable had you maintained "compulsory admitted insurance".

For purposes of this Paragraph **(ii)**, "compulsory admitted insurance" means insurance that is:

- (1) Required to be in-force to satisfy the legal requirements of a specific country or jurisdiction; and
 - (2) Issued by an insurance fund administered by such country or jurisdiction or issued by an insurer licensed or permitted by law to do business in such country or jurisdiction.
- (iii) With respect to defending the insured against, or the investigation or settlement of, any claim or "suit" brought against the insured, the following will apply:
- (1) The phrase "We will pay...." in the first sentence of Paragraph **1.a.** of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph **1.a.** of **SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING**

INJURY LIABILITY is replaced by the phrase "We will indemnify the insured for....".

- (2) You must arrange to defend the insured against, and investigate or settle, any claim or "suit".
- (3) Neither you nor any other involved insured will make any settlement without our consent.
- (4) We will pay expenses incurred with our consent for your defense of the insured against any "suit" seeking damages for "bodily injury", "property damage", "personal injury" or "advertising injury" to which this insurance applies.
- (5) We may, at our discretion, participate in defending the insured against, or in the settlement of, any claim or "suit".

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

"Prohibited area" means any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction.

D. DAMAGE TO PREMISES RENTED TO YOU

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

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- 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.
4. 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";

5. 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;

E. 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.

F. 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:

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- (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.

G. 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 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.

H. 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 – COV-**

COMMERCIAL GENERAL LIABILITY

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**.

I. PERSONAL INJURY – ASSUMED BY CONTRACT

1. The following replaces Exclusion e., **Contractual Liability**, in Paragraph 2. of **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE 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 com-

mitted 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 – COVERAGE 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 – COVERAGE 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

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would be imposed by law in the absence of any contract or agreement.

J. EXTENSION OF COVERAGE – BODILY INJURY

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.

K. 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.

L. 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.

M. 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**:

- (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.

N. 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.

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.

COMMERCIAL GENERAL LIABILITY

- (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 discovers 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.

R. TRANSPORTATION EXPENSES FOR REPATRIATION OR RELOCATION OF INJURED OR SICK EMPLOYEES

1. The following is added to **SUPPLEMENTARY PAYMENTS – COVERAGE A AND B** of **SECTION I – COVERAGES**:

We will reimburse you for the reasonable "transportation expenses" that you incur, over and above "normal transportation costs", for the repatriation or relocation of any of your injured, diseased, sick or deceased "employees". But only if:

a. The injury, disease, sickness, or death occurred during the policy period and while such "employee" was employed or assigned to work by you anywhere in the world other than:

(1) The United States of America (including its territories and possessions), Puerto Rico and Canada; and

(2) Any country or jurisdiction in the "prohibited area";

b. The relocation or repatriation is necessary in the opinion of competent medical authorities; and

c. The relocation or repatriation is from the country where the injury, disease, sickness, or death occurred to a destination in another country.

The most we will pay as reasonable "transportation expenses" for the repatriation or relocation of any one of your "employees" is

COMMERCIAL GENERAL LIABILITY

- \$25,000. The most we will pay as reasonable "transportation expenses" for the repatriation or relocation of all of your "employees" is \$50,000. These payments will not reduce the limits of insurance.
2. 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 for the reasonable "transportation expenses" that you incur, over and above "normal transportation costs", for the repatriation or relocation of any of your injured, disabled, sick or deceased "employees".
3. The following is added to the **DEFINITIONS** section:
- "Normal transportation costs" means the costs of transporting your "employee" in good health, and in conformance with your business travel policy, from the country of injury, disease, sickness, or death to the country of relocation or repatriation.
- "Transportation expenses" includes the following expenses:
- a. Costs of embalming to meet United States standards; and
 - b. All reasonable expenses of transportation to return the remains of the deceased to the country of burial or funeral.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for consumption.

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

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- a. "Personal injury" or "advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

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

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

COMMERCIAL GENERAL LIABILITY

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.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – UNSOLICITED COMMUNICATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This insurance does not apply to "bodily injury", "property damage", "personal injury", "advertising injury" or "website injury" arising out of unsolicited communications by or on behalf of any insured. Unsolicited communications means any form of communication, including but not limited to facsimile, electronic mail, posted mail or telephone, in which the

recipient has not specifically requested the communication. Unsolicited communications also include but are not limited to communications which are made or allegedly made in violation of the Telephone Consumer Protection Act and any amendments, and/or local or state statutes that bar, prohibit or penalize such communications.

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

A. Exclusion g. of COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages) is deleted and replaced by the following:

g. Aircraft, Auto Or Watercraft

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

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1)** A watercraft while ashore on premises you own or rent;
- (2)** A watercraft you do not own that is:
 - (a)** Less than 26 feet long; and
 - (b)** Not being used to carry persons or property for a charge;
- (3)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

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

- (a)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
- (b)** The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

B. SECTION V – DEFINITIONS

The definition of "auto" (paragraph 2.) is deleted and replaced by the following:

2. "Auto" means:

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

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

The definition of "mobile equipment" is deleted and replaced by the following:

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;

COMMERCIAL GENERAL LIABILITY

- 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.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

C. WHO IS AN INSURED

Paragraph 3. of SECTION II – Who Is An Insured is deleted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – LEAD

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
CATASTROPHE UMBRELLA POLICY

PROVISIONS

This insurance does not apply to any injury, damage, loss, cost, payment or expense, including, but not limited to, defense and investigation, of any kind arising out of, resulting from, caused by or contributed to by the actual or alleged presence or actual, alleged or threatened dispersal, release, ingestion, inhalation or absorption of lead, lead compounds or lead which is or was contained or incorporated into any material or substance. This exclusion applies, but is not limited to:

1. Any supervision, instructions, recommendations, warnings or advice given in connection with the above;
2. Any obligation to share damages, losses, costs, payments or expenses with or repay someone else who must make payment because of such injury or damage, loss, cost, payment or expense; or
3. Any request, order or requirement to abate, mitigate, remediate, contain, remove or dispose of lead, lead compounds or materials or substances containing lead.

COMMERCIAL GENERAL LIABILITY

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 – 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 – 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CONDOMINIUMS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Section II – Who Is An Insured is amended to include the following as an insured:

1. The developer in the developer's capacity as a unit owner, but only with respect to the developer's liability arising out of the ownership, maintenance or repair of that portion of the premises which is not owned solely by the developer. However, the insurance afforded with respect to the developer does not apply to liability for acts or omissions as a developer.
2. Each other unit owner and secured party of the described condominium, but only with respect to liability arising out of the ownership, maintenance or repair of that portion of the premises which is not owned solely by the unit owner.
3. Any agent of yours, and any "employee" or agent of the management agency, while acting within the scope of their duties for you. However, no agent of yours, or agent or "employee" of the management agency is an insured for:
 - a. "Bodily injury" or "personal injury":
 - (1) To a co-"employee" while that co-"employee" is either in the course of his or her employment or performing his or her duties related to the conduct of your business;
 - (2) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph a.(1) above;
 - (3) To you or an employer, or if the employer is a partnership or joint venture, any partners or members or,

the employer is a limited liability company, any member;

(4) 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 a.(1), (2) or (3) above; or

(5) Arising out of his or her providing or failing to provide professional health care services.

b. "Property damage" to property:

(1) Owned, occupied or used by,

(2) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by,

You or any of your "employees".

B. The following is added to Paragraph 8. – Transfer Of Rights Of Recovery Against Others To Us (Section IV – Commercial General Liability Conditions):

We waive any rights which the Transfer Of Rights Of Recovery Against Others To Us Condition may give us against:

- a. Any unit-owner of the condominium or members of the unit-owner's household;
- b. The condominium association; and
- c. Members of the board of directors for acts or omissions within the scope of their duties for you.

The unit-owner waives any rights of subrogation under this policy against the association and the board of directors.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

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

- A. Cancellation** (Common Policy Conditions) is replaced by the following:

CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2. We may cancel this policy by mailing to you written notice stating the reason for cancellation. If we cancel:
 - a. For nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - b. For a reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the policy has been in effect for 60 days or less.
 - (2) 60 days prior to the effective date of cancellation if the policy has been in effect for more than 60 days.
3. If this policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The policy was obtained through a material misrepresentation;
 - c. Any insured has violated any of the terms and conditions of the policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

- f. A determination by the Director of Insurance that the continuation of the policy could place us in violation of the insurance laws of this State.

4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

- B. The following is added and supersedes any provision to the contrary:**

NONRENEWAL

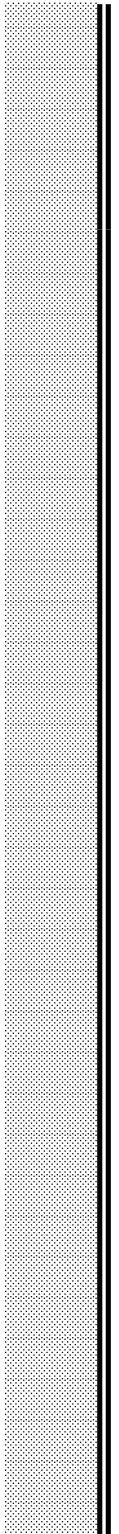
If we decide not to renew or continue this policy, we will mail you and your agent or broker written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

- C. Mailing Of Notices**

We will mail cancellation and nonrenewal notices to you, and the agent or broker, at the last addresses known to us. Proof of mailing will be sufficient proof of notice.

**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 LIABILITY COVERAGE
ELECTRONIC MANUFACTURERS AND COMPUTER SERVICES ERRORS AND OMISSIONS
 LIABILITY COVERAGE FORM
EMPLOYEE BENEFITS LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY 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
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SELF-INSURED EXCESS COMMERCIAL GENERAL LIABILITY COVERAGE FORM
SELF-INSURED EXCESS LIQUOR LIABILITY COVERAGE FORM
SELF-INSURED EXCESS EMPLOYEE BENEFITS LIABILITY COVERAGE FORM
SELF-INSURED EXCESS PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK DEPARTMENT OF
 TRANSPORTATION
TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE

PROVISIONS

On December 26, 2007, the President of the United States signed into law amendments to the Terrorism Risk Insurance Act of 2002 (the "Act"), which, among other things, extend the Act and expand its scope. The Act establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in the Act) caused by "acts of terrorism". An "act of terrorism" is defined in Section 102(l) of the Act to mean any act that is certified by the Secretary of the Treasury – in concurrence with the Secretary of State and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of 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 Insured Losses is 85% of the amount of Insured Losses in excess of each Insurer's statutorily established deductible, subject to the "Program Trigger", (as defined in the Act). In no event, however, will the federal government or any Insurer be required to pay any portion of the amount of aggregate Insured Losses occurring in any one year that exceeds \$100,000,000,000, provided that such Insurer has met its deductible. If aggregate Insured Losses exceed \$100,000,000,000 in any one year, your coverage may therefore be reduced.

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

- **1% of each applicable Commercial Liability Coverage premium.**

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
DELUXE 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.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
DELUXE PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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

B. Application Of Exclusions

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

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.

ILLINOIS CHANGES – DEFENSE COSTS

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART – LEGAL LIABILITY COVERAGE FORM
COMMERCIAL PROPERTY COVERAGE PART – MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM
EMPLOYMENT-RELATED PRACTICES 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
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK COVERAGE PART

- A. The provisions of Paragraph **B.** are added to all Insuring Agreements that set forth a duty to defend under:
 - 1. Section **I** of the Commercial General Liability, Commercial Liability Umbrella, Employment-Related Practices Liability, Farm, Liquor Liability, Owners And Contractors Protective Liability, Pollution Liability, Products/Completed Operations Liability, Product Withdrawal, Medical Professional Liability, Railroad Protective Liability, Underground Storage Tank Coverage Parts and the Farm Umbrella Liability Policy;
 - 2. Section **II** – Liability Coverage in Paragraph **A.** Coverage under the Business Auto, Garage, Motor Carrier and Truckers Coverage Forms;
 - 3. Section **A.** Coverage under the Legal Liability Coverage Form; and
 - 4. Coverage **C** – Mortgageholder's Liability under the Mortgageholders Errors And Omissions Coverage Form.
- B. If we initially defend an insured ("insured") or pay for an insured's ("insured's") defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

- A.** The CANCELLATION Common Policy Conditions
- Deluxe is replaced by the following:

CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2. If this policy has been in effect for 60 days or less, except as provided in Paragraphs **8.** and **9.** below, we may cancel this policy by mailing 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. If this policy has been in effect for more than 60 days, except as provided in Paragraphs **8.** and **9.** below, we may cancel this policy only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The policy was obtained through a material misrepresentation;
 - c. You have violated any of the terms and conditions of the policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured; or
 - f. A determination by the Director that the continuation of the policy could place us in violation of the insurance laws of this State.

If we cancel this policy based on one or more of the above reasons except for nonpayment of premium, we will mail written notice at

least 60 days before the effective date of cancellation. When cancellation is for non-payment of premium, we will mail written notice at least 10 days before the effective date of cancellation.

4. We will mail our notice to you, any mortgagee or lienholder known to us and to the agent or broker.
5. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
6. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
7. Our notice of cancellation will state the reason for cancellation.
8. **REAL PROPERTY OTHER THAN RESIDENTIAL PROPERTIES OCCUPIED BY 4 FAMILIES OR LESS**

The following applies only if this policy covers real property other than residential property occupied by 4 families or less:

If any one or more of the following conditions exists at any building that is Covered Property in this policy, we may cancel this policy by mailing to you written notice of cancellation if:

- a. After a fire loss, permanent repairs to the building have not started within 60 days of satisfactory adjustment of loss, unless the delay is due to a labor dispute or weather conditions.
- b. The building has been unoccupied 60 or more consecutive days. This does not apply to:
 - (1) Seasonal unoccupancy; or

- (2) Buildings under repair, construction or reconstruction, if properly secured against unauthorized entry.
- c. The building has:
 - (1) An outstanding order to vacate;
 - (2) An outstanding demolition order; or
 - (3) Been declared unsafe in accordance with the law.
- d. Heat, water, sewer service or public lighting have not been connected to the building for 30 consecutive days or more.

The policy will cancel 10 days following receipt of the written notice by the named insured(s).

9. RESIDENTIAL PROPERTIES OCCUPIED BY 4 FAMILIES OR LESS

The following applies if this policy covers residential properties occupied by 4 families or less:

If this policy has been in effect for 60 days, or if this is a renewal policy, we may only cancel this policy for one or more of the following reasons:

- a. Nonpayment of premium;
- b. The policy was obtained by misrepresentation or fraud; or
- c. Any act that measurably increases the risk originally accepted.

10. For insurance provided under the DELUXE PROPERTY COVERAGE PART, the following applies:

GRAIN IN PUBLIC GRAIN WAREHOUSES

(Not applicable to grain owned by the Commodity Credit Corporation)

The following applies only with respect to grain in public grain warehouses:

The first Named Insured or we may cancel this policy at any time by mailing to:

- a. The other; and
- b. The Director of the Illinois Department of Agriculture (at its Springfield Office);

60 days' written notice of cancellation.

B. The following is added:

NONRENEWAL

- 1. If we decide not to renew or continue this policy, we will mail you, your agent or broker and any mortgagee or lienholder known to us written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of non-renewal and you obtain other insurance, this policy will end on the effective date of that insurance.

- 2. The following provision applies only if this policy covers residential properties occupied by 4 families or less:

If this policy has been issued to you and in effect with us for 5 or more years, we may not fail to renew this policy unless:

- a. The policy was obtained by misrepresentation or fraud;
- b. The risk originally accepted has measurably increased; or
- c. You received 60 days' notice of our intent not to renew as provided in 1. above.

C. The following is added:

MAILING OF NOTICES

We will mail cancellation and nonrenewal notices to the last addresses known to us. Proof of mailing will be sufficient proof of notice.

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
DELUXE 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; or
3. In a "Specified Cause of Loss", in elevator collision resulting from mechanical breakdown, or from theft under the Deluxe Property Coverage Part;

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.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

- A. The following is added to the **Legal Action Against Us Condition**:

The two year period for legal action against us is extended by the number of days between the date the proof of loss is filed with us and the date we deny the claim in whole or in part.

- B. If this policy covers:

1. The following in a. and b., then Paragraphs 2. and 3. apply:
 - a. Real property used principally for residential purposes up to and including a four family dwelling; or
 - b. Household or personal property that is usual or incidental to the occupancy of any premises used for residential purposes.
2. The second paragraph of the **Appraisal Condition** is deleted and replaced by the following:
 - a. Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally, except as provided in b. below.
 - b. We will pay your appraiser's fee and the umpire's appraisal fee, if the following conditions exist:
 - (1) You demanded the appraisal; and
 - (2) The full amount of loss, as set by your appraiser, is agreed to by our appraiser or by the umpire.

3. The **Concealment, Misrepresentation Or Fraud Condition** is replaced by the following:

Concealment, Misrepresentation, Or Fraud

- a. This Coverage Part or Coverage Form is void if you or any insured ("insured") commit fraud or conceal or misrepresent a fact in the process leading to the issuance of this insurance, and such fraud, concealment or misrepresentation is stated in the policy or endorsement or in the written application for this policy and:

- (1) Was made with actual intent to deceive; or

- (2) Materially affected either our decision to provide this insurance or the hazard we assumed.

However, this condition will not serve as a reason to void this Coverage Part or Coverage Form after the Coverage Part or Coverage Form has been in effect for one year or one policy term, whichever is less.

- b. This Coverage Part or Coverage Form is void if you or any other insured ("insured"), at any time subsequent to the issuance of this insurance, commit fraud or intentionally conceal or misrepresent a material fact relating to:

- (1) This Coverage Part or Coverage Form;

- (2) The Covered Property;

- (3) Your interest in the Covered Property; or

- (4) A claim under this Coverage Part or Coverage Form.

- c. Notwithstanding the limitations stated in 3.a. above, we may cancel the Coverage Part or Coverage Form in accordance with the terms of the Cancellation Condition.

- C. Whenever the Data Processing Equipment and Media Coverage Endorsement is attached to this Coverage Part, EXCLUSIONS AND LIMITATIONS B.1.b.(2) is deleted and replaced by the following:

- (2) Programming errors or incorrect instructions to the machine.

- D. For the Deluxe Property Coverage Part, the following exclusion and related provisions are added to the EXCLUSIONS in the Coverage Form or policy:

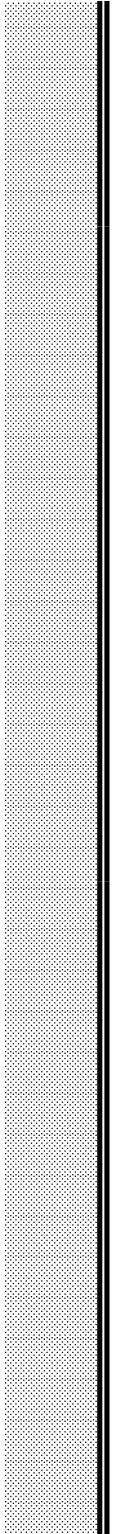
1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

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

2. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:
 - a. The loss arose out of a pattern of criminal domestic violence; and

- b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.
3. If we pay a claim pursuant to Paragraph D.2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

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.

IMPORTANT NOTICE – COMPLAINTS – ILLINOIS

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.

If you are having problems you may contact your insurance agent directly or you may contact the company at:

Mail: Consumer Affairs
One Tower Square, 5MS
Hartford, CT 06183

Phone: (860) 277-1561 or

Email: consumeraffairs@travelers.com

The address of the consumer complaint division of the Illinois Division of Insurance is:

IDFRP Division of Insurance
Consumer Division
320 W Washington St
Springfield, IL 62767

Complaints may also be filed electronically to the Illinois Division of Insurance at
<http://www.idfpr.com/DOI/Main/consumer.asp>



POLICYHOLDER NOTICE – LEAD

Dear Policyholder:

Lead has become a difficult problem for society as a whole and the insurance industry in particular.

As a consequence, we are attaching a lead exclusion to our liability policies based upon age and occupancy of buildings. Your policy contains this exclusion.

If you have questions about your insurance program, please contact your agent or local Company representative.



GLOBAL COMPANIONSM

Company Name: DANA POINT CONDO. ASSOC.

MEDEX I.D. #: 314751

Policy Number: Y-630-1744M171-TIL-11

Policy Term: 05-01-11 to 05-01-12

This card is not evidence of insurance.

Call MEDEX immediately for medical and travel assistance.

Call 24-hours a day (multilingual).



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WORLDWIDE 24-HOURS A DAY

MEDEX®

When you call MEDEX, be prepared to give your company name, MEDEX ID number, Travelers policy number, your name and a description of your problem.

For immediate assistance call:

Toll Free (U.S. and Canada): 800-927-6139

Collect (Worldwide): 410-453-6330 *

OR Toll Free (outside U.S. and Canada): 800-9276-1390 *

* Outside the U.S. and Canada, dial the appropriate country's AT&T Access Code.

Internet: www.medexassist.com

E-mail: operations@medexassist.com

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E-mail: operations@medexassist.com

GLOBAL EXECUTIVE SUPPORT SERVICE AGREEMENT

This agreement provides global executive support services to your employees who travel outside the United States for your business. There are, of course, limitations and restrictions which apply to this service agreement. As a result, this service agreement should be read carefully to determine the extent of the services provided to you and your employees.

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| Medically Supervised Repatriation | 2 | | |
| Repatriation Of Mortal Remains | 2 | | |
| Personal Assistance Services | 2 | Global Executive Support Services includes Medical Assistance, Personal Assistance, and Travel Assistance, as described below. | |
| Pre-Trip Medical Referral Information | 2 | | |
| Emergency Medication | 2 | "Employees" may contact the Travelers Alarm Center at any hour of any day. The Travelers Alarm Center may direct an "employee" to contact a Regional Alarm Center nearer to the "employee's" location. The Travelers Alarm Center is operated by MEDEX Assistance Corporation, a third party provider of the Global Executive Support Services Program described below. | |
| Embassy And Consular Information | 2 | | |
| Lost Document Assistance | 2 | | |
| Emergency Message Transmission | 3 | | |
| Emergency Cash Advance | 3 | | |
| Legal Access | 3 | | |
| Translations And Interpreters | 3 | | |
| Lost Baggage Assistance | 3 | We will give you fifteen (15) service cards at the beginning of each new or renewal "program service period" of this Global Executive Support Services Program. These service cards will explain how to reach the Travelers Alarm Center. It is your responsibility to distribute the service cards to your "employees" who may require global executive support services during "temporary travel". You may ask us for additional cards as they are required by you. | |
| Currency Exchange Rates | 3 | | |
| Weather Information | 3 | | |
| Benefits Verification And Claims Assistance | 3 | | |
| Travel Advisories | 3 | | |
| Security-Related Services and Assistance | 3 | | |
| Travel Assistance Services | 3 | Medical Assistance Services | |
| Emergency Family Travel Arrangements | 3 | The Travelers Alarm Center is staffed with trained multi-lingual personnel, including doctors on round-the-clock call for "medical emergency" consultation and assistance as described below. This center handles requests for referrals to English-speaking doctors, hospitals, and specialists, as well as all aspects of coordinating any "medical emergency" evacuations. | |
| Transportation To Join Disabled Employees | 3 | | |
| Return Of Minor Children | 3 | | |
| Return Of Traveling Companion | 4 | | |
| Return Of Vehicle | 4 | | |
| Services And Cost Restrictions | 4 | Hospital Admission Deposit | |
| Destinations Covered | 4 | We will either guarantee the payment of, or wire, any required emergency hospital admission deposit up to \$5,000. You or your "employee" will repay any such | |
| General Conditions | 5 | | |
| Errors And Omissions | 5 | | |
| Transfer Of Rights Of Recovery Against Others To Us | 5 | | |
| Suits Against Us | 5 | | |
| Return To Work | 5 | | |

deposit to us or our designee within forty-five (45) days (without interest). If you fail to repay us such deposits in the time allowed, or we are required to pay on our guarantee, then such moneys become a service rendered, and we have the additional rights as explained under the section "Transfer of Rights of Recovery Against Others to Us".

Medical Monitoring

We will monitor the "employee's" condition when hospitalized abroad, and will use our best efforts to report regularly on the "employee's" condition to the "employee's" family and/or employer.

Dispatch Of A Doctor Or Specialist

If we determine, based on information available to us, that an "employee's" condition cannot be adequately assessed to evaluate the need for evacuation, we will dispatch a doctor or specialist to the "employee's" location. We will pay the cost of the doctor's or specialist's travel to the "employee's" location, but we will not pay the cost of any medical services that are rendered by the doctor or specialist at the location.

Medical Emergency Evacuation

When adequate medical facilities are not available locally, we will arrange for "medical emergency" evacuation of the "employee", under medical supervision, to the nearest location with adequate facilities.

We will also assist in making the arrangements, but not pay for any associated costs, of one (1) family member or other traveling companion to continue to accompany the "employee" during evacuation, if it is reasonably possible for that person to accompany the "employee".

The "employee" and any accompanying family member or other traveling companion may be required to release us or our third party service provider from liability during emergency evacuation. Our obligation is limited to providing one (1) emergency evacuation attributable to any single medical condition of an "employee".

Medically Supervised Repatriation

If we determine, based on information available to us, that it is medically advisable to repatriate the "employee" to a facility which is in the country of residence of the "employee", or a location in the country of which the "employee" is a citizen, following stabilization, we will make the arrangements for repatriation of the "employee", under medical supervision.

We will also assist in making the arrangements, but not pay any associated costs, of one (1) family member or other traveling companion to continue to accompany the "employee" during repatriation under medical supervision, if it is reasonably possible for that person to accompany the "employee".

The "employee" and any accompanying family member or other traveling companion may be required to release us or our third party service provider from liability during emergency repatriation. Our obligation is limited to providing one (1) emergency repatriation attributable to any single medical condition of an "employee".

Repatriation Of Mortal Remains

In the event of an "employee's" death while traveling, we will provide every assistance possible to obtain necessary clearances and arrange for the return of the mortal remains to a location which is consistent with the known reasonable wishes of the "employee" or of the "employee's" family.

We will also assist in making arrangements, but not pay for any associated costs, of one (1) family member or other traveling companion to continue to accompany the mortal remains of the deceased "employee" during repatriation, if it is reasonably possible for that person to accompany the remains.

Personal Assistance Services

Pre-Trip Medical Referral Information

We will provide pre-trip medical referral information to "employees" regarding countries and regions to be visited, including local English-speaking doctors, and/or addresses and phone numbers of hospitals.

Emergency Medication

Should an "employee" require prescription medication that is not available locally, we will make arrangements for the transportation of such medication to the "employee", when possible and legally permissible, upon the request of the prescribing physician. The "employee" is responsible for the cost of the medication and the transportation.

Embassy And Consular Information

We will provide "employees" with contact information for embassies and consulates worldwide.

Lost Document Assistance

If an "employee" loses important travel documents, including a passport and credit cards, while traveling,

we will assist with obtaining their replacements. We will not pay for the cost of obtaining these replacements.

Emergency Message Transmission

We will make reasonable efforts to receive and transmit emergency messages between the family and/or employer of an "employee".

Emergency Cash Advance

We will, whenever possible, provide "employees" with a cash advance of up to \$5,000. in local currency for any medical, legal, or any other emergency situations related to any of the services and/or assistance provided by this Global Executive Support Services program. You or your "employee" will repay any such cash advances to us or our designee within forty-five (45) days (without interest). If you or your "employee" fail to repay to us such advances, then such money becomes a service rendered, and we have the additional rights set out under the heading "Transfer of Rights of Recovery Against Others to Us".

Legal Access

We will provide "employees" with an introduction to local attorneys available during regular working hours. Assistance will also be provided in obtaining bail bonds in those areas where such bonds are customarily issued. "Employees" are responsible for paying for any contracted legal fees.

Translations And Interpreters

We will provide personal emergency translation services through the 24-hour Travelers Alarm Center and Regional Centers, as well as referrals to interpreter services. When a personal presence or other customized interpreter services are required, the "employee" will be responsible to pay locally the costs of such interpreter services.

Lost Baggage Assistance

We will assist "employees" with the proper reporting procedures if their baggage is lost, stolen, or delayed while traveling on a common carrier. We will also maintain contact with the appropriate companies or authorities to help resolve the problem.

Currency Exchange Rates

We will provide to the "employee" general currency exchange rates for those countries to which they are traveling. These exchange rates are for general planning purposes only, and are not intended to be used

for exact funds exchange for any specific transactions at a specific time or date.

Weather Information

We will provide to the "employee" weather information of a general nature for the location(s) where travel is anticipated. We will not provide any weather information for a specific location on a specific date, nor can we be held responsible if any weather is outside of normal patterns.

Benefits Verification And Claims Assistance

We will assist "employees" in verifying their medical insurance benefits when hospitalized overseas, and in coordinating overseas claims procedures with their health insurance, and any applicable Workers Compensation insurance, as you direct.

Travel Advisories

We will provide to the "employee" travel advisories as they are updated by the U. S. Department of State.

Security-Related Services and Assistance

We will provide to the "employee" assistance with security related services, such as continual updates on security events occurring around the world, referrals to specialized security providers (i. e., escorts, drivers, kidnap and ransom specialists, crisis management planners, etc.), and coordination with an appropriate security vendor provided a political / security related evacuation is required. The "employee" is responsible for the costs of services for security providers or the cost of the security evacuation.

Travel Assistance Services

Emergency Family Travel Arrangements

We will coordinate emergency travel arrangements for family members who need to join a hospitalized "employee". The costs of these travel services are the responsibility of the traveler(s).

Transportation To Join Disabled Employees

If an "employee" is traveling alone and is hospitalized for more than seven (7) days, we will arrange, but not pay the cost of, economy round trip air fare to the place of hospitalization, for a person chosen by the "employee".

Return Of Minor Children

If dependent children are left unattended as a result of an "employee's" accident or illness, we will arrange,

but not pay the cost of, economy one-way air fare to their place of residence. Qualified attendants will also be arranged, when required, but we will not pay the cost of such attendants.

Return Of Traveling Companion

When we hospitalize or medically evacuate an "employee", and a traveling companion's air ticket is no longer usable, we will arrange, but not pay the cost of, economy one-way air transportation for the companion to their original departure point.

Return Of Vehicle

In the event of an "employee's" hospitalization or medical evacuation, we will arrange, but not pay the cost, to have the "employee's" unattended vehicle returned to the rental agency, or the "employee's" current principal residence.

Services And Cost Restrictions

We are not responsible for any services or costs:

- Provided outside the "program service period". However, if, before the end of the "program service period", we have begun to assist an "employee" with any of the services described under the heading "Medical Assistance Services", we will continue to provide those services for up to seven (7) days after the end of the "program service period".
- Provided without our authorization and/or intervention.
- Provided for which no charge is normally made.
- If the original or ancillary purpose of the "employee's" trip is to obtain medical treatment.
- If the trip is made against the advices of a physician.
- For intentionally self-inflicted injuries, suicide, or any attempt thereat, regardless of mental condition.
- As a result of any service in the Armed Forces of any country.
- As a result of the use of alcohol, drugs, or any controlled substance, unless it is prescribed by a physician.
- As a result of aerial flight, except as a fare paying passenger on a regular scheduled airline or licensed charted aircraft.

- As a result of any participation in any professional sports, or high risk amateur and/or recreational activities, including but not limited to, mountain-eering, scuba diving, sky diving, auto racing, bungee jumping, etc.
- As a result of commission of, or the attempt to commit, an illegal act.
- As a result of the active participation in war (whether declared or not), invasion, acts of foreign enemies, hostilities, civil war, rebellion, riot, revolution, insurrection, or as a direct result of nuclear reaction or radiation.
- As a result of any existing chronic or life threatening health conditions, except if any "medical emergency" occurs during the "temporary travel" of an "employee", whether or not that "medical emergency" is related to or caused by any existing chronic or life threatening health condition.
- For routine or minor medical problems, tests, and exams related to pregnancy.
- For transportation for an "employee's" vehicle that involves any intercontinental and/or marine transportation.
- For pregnancies, except in the case of a major, vital complication for the mother and/or baby.
- Which are requested after we have paid the maximum limit of covered expenses, or after we have incurred the maximum limit of covered expenses.

No services shall be available for any "employee" if such services are required as a result of mild lesions, simple fractures, or mild illness which can be treated by local doctors, and which do not prevent the "employee" from continuing his/her trip or returning home.

Destinations Covered

We will provide the Global Executive Support Services described above, anywhere in the world, except for the United States, its territories and possessions, Puerto Rico, Canada and any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States Government applies to and prohibits the transaction of business with or within that country or jurisdiction. But we will not consider such countries as being prohibited if such trade sanctions, embargoes, or regulations are removed for any reason by the United States Government, or no longer operate to prevent the transaction of business with or within these countries.

General Conditions

Errors And Omissions

We are not liable for any act or omission by a local doctor or attorney who is not our employee, nor the employee of a third party provider of the support services described herein.

We are not liable for the failure to provide, or for the delay in providing services when such failure or delay is caused by conditions beyond our control, including but not limited to restricted flight conditions, weather, Acts of God, strike, riot, civil commotion, war or uprising, or where rendering of any services is prohibited by local laws or regulations.

Transfer Of Rights Of Recovery Against Others To Us

If you or the "employee" to whom we render assistance have any rights to recover all or any part of the cost of any services rendered under this program from any other person(s) or organization(s), including rights to recover under any "Workers Compensation Law", health plan or insurance policies, we are entitled to an assignment of those rights to the extent of our benefit payments. You and your "employee" shall transfer those rights to us, and cooperate with us as may be necessary to enforce such rights. You and your "employee" agree to sign any papers, deliver them to us, and do anything else that we may reasonably require to help us pursue such rights.

Suits Against Us

You agree not to bring suit against us unless you have complied with all the terms of this policy. Any such suit must be brought within two (2) years after the support services are rendered. No person or organization has any right to bring us into any action to determine your liability.

Return To Work

You have the responsibility for the decision of whether or not an "employee" returns to work. You are responsible for obtaining any medical releases and to determine an "employee's" suitability to travel and/or resume work or not. The decision and results thereof

are solely the responsibility of the "employee", you, and/or the "employee's" attending physician. We are not involved in such decisions, and we have no liability arising out of an "employee's" return to work.

Services Not Covered

You agree to reimburse us or our designee for services rendered on your behalf which are not covered by this program, when such services are requested or approved by a corporate officer whose name you have given us to contact, or when such services are provided in good faith to any "employee" not covered by reason of cancellation of this program.

Definitions

"Employee" means any person working for you at your workplaces, including any voluntary workers, or independent contractors with whom you have a written contract, and any traveling companions, anywhere in the World, except those countries for which there is a United States governmental embargo or sanction prohibiting the transaction of business with or within that country.

"Medical Emergency" means any sudden or unforeseen health condition that might require medical consultation, assistance, or care.

"Program Service Period" means from the effective date of the policy to which this Global Executive Support Services Program is attached until the expiration date of the policy, including any extensions and/or renewals of the policy. If the policy is canceled for any reason before its expiration date then the Global Executive Support Services Program will end as of the effective date of the policy cancellation.

"Temporary Travel" means any travel outside of the country of an employee's permanent workplace, for the purpose of conducting your business. Such travel will not require an employee to be away from their permanent workplace for a period longer than ninety (90) consecutive days on any one trip, or to spend more than 180 days per year outside the country of an employee's permanent workplace. Temporary Travel includes personal travel, but only if such personal travel is incidental to the travel for the purposes of conducting your business.



NOTICE TO POLICYHOLDERS JURISDICTIONAL INSPECTIONS

Dear Policyholder;

Many states and some cities issue certificates permitting the continued operation of certain equipment such as boilers, water heaters, pressure vessels, etc. Periodic inspections are normally required to renew these certificates. In most jurisdictions, insurance company employees who have been licensed are authorized to perform these inspections.

If:

- You own or operate equipment that requires a certificate from a state or city to operate legally, and
- We Insure that equipment under this Policy, and
- You would like us to perform the next required inspection;

Then;

Call this toll-free number – **1-800-425-4119**

When you call this number, our representative will ask you for the following information:

- Name of your business (as shown on this Policy)
- Policy Number
- Location where the equipment is located. Including Zip Code.
- Person to contact and phone number for scheduling of inspection
- Type of equipment requiring inspection
- Certificate inspection date and certificate number

Or;

Fill in the form on the reverse side of this notice and fax it to the toll-free number indicated on that form.

Please note the following:

- Your jurisdiction may charge you a fee for renewing a certificate. It is your responsibility to pay such a fee.
- All the provisions of the INSPECTIONS AND SURVEYS Condition apply to the inspections described in this notice.

REMINDER

If new equipment is installed or old equipment replaced that requires a jurisdictional inspection please let us know by calling our toll-free number listed above.

REQUEST FOR JURISDICTIONAL INSPECTION

Name of Business: _____
(As Shown on Policy)

Policy Number: _____

Location of Equipment:

City _____ State _____ Zip Code _____

Person to Contact for Scheduling Inspection: _____

Telephone Number of Person to Contact: _____

| Equipment Type | Certificate Number | Certificate Expiration Date |
|----------------|--------------------|-----------------------------|
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Fax Form to 1-877-764-9535

Completed by: _____ Phone Number: _____